Daily Report

Latin America

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Cuba

Castro Sees U.S. 'Conspiracy' in Panama

PA020400 Panama City Televisora Nacional in Spanish 0000 GMT 2 Mar 88

[Report by Jorge Isaac Guevara on "exclusive" interview with President Fidel Castro by Televisora Nacional "News Director" Eric Rodriguez Auerbach and other Panamanian reporters at the Government Palace in Havana on 29 February—passages within quotation marks recorded]

[Text] [Castro] "The conspiracy has taken another step; however, this new step is very clear to us. It is made with the complicity and in virtue of the subservient spirit of the man who was president of the Republic.

"I believe the post was always too large for him. I was not surprised at his action, because after the enormous discrediting campaign against Noriega, the National Guard [as heard], and the Torrijist movements—which are the targets, because they resist the U.S. plans—we said: We must denounce that campaign. We must denounce it. We realized the campaign had a goal. The next step in that campaign was a maneuver to dismiss Noriega. In other words: First, they made Noriega the target of an enormous campaign; then the next step came, coordinated by Mr Delvalle and the U.S. Government.

"Everybody knows Mr Delvalle made frequent trips to the United States under various pretexts. Everybody knows that days before his action—the press published this—Delvalle met in Miami with U.S. State Department representatives and then returned to Panama and did what we suspected he would do. He issued a decree in an abnormal way, dismissing the chief of the Panama Defense Forces [FDP]. I think I said National Guard earlier, and I must try not to repeat that. Delvalle issued a decree dismissing the FDP chief and provoked the current crisis.

"Those events occurred the day after I granted an interview pointing out all those things—as if I were a mind reader. I said in that interview that there was a great conspiracy in the air, and 24 hours later the next step in the conspiracy was taken: Noriega's dismissal.

"In my opinion, that dismissal is a true betrayal of the country. Mr Delvalle is an oligarch. Everybody knows that, and we also knew it. We obviously always treated him respectfully, because he was the president of Panama. However, we knew he is an oligarch. We did not trust him at all.

"I believe we can make a historical analysis; we can even criticize Panamanian patriots, because undoubtedly Panamanian patriots made a mistake when they appointed that kind of person to such an important post. Sooner or later this kind of person would be capable of backstabbing the country and the Torrijist movement. I make this statement with full responsibility. This is my opinion of that person's behavior."

[Guevara] The possibility of some Latin American leaders becoming confused by the propaganda and pressure exerted by the U.S. media was also commented on by Cuban President Fidel Castro.

[Castro, in progress] "...to try to isolate Panama, to try to reduce the support it has from Latin American countries. I said I was worried about that, because I believe it was a dramatic, huge mistake to see that Latin American political leaders, especially those who are most concerned about Latin American unity, could make a serious mistake. They could make the serious mistake of playing along with U.S. policy. Those leaders might not realize that what is taking place in Panama is not a quarrel among people, an internal problem, or a legal problem; it is a conspiracy, an attempt to take away the Panamanian people's rights over the canal, which were partly recovered by the Torrijos-Carter Treaties.

"Latin American leaders might not understand that the Panamanian problem is a problem of independence and sovereignty in a sister Latin American nation. They might fail to understand that and therefore join the Yankee conspiracy. To condemn the Panamanian Government, to isolate the Panamanian Government right now is to play along with the U.S. conspiracy.

"I know many of the Latin American politicians; I have a very good opinion of them; I know how the minds of these politicians who have been ruled by military regimes work. They might not understand the difference between the experiences they have with their countries' military men and the experience of the Panamanian people, where the military men hoisted the flag for the recovery of the canal and national sovereignty.

"At a certain time, the FDP, the Panamanian military men, decided to side completely with the Panamanian people. That is what Torrijos did. The imperialists' plans for Panama were based on having a docile military force in Panama, which would serve their interests and repress the people. The fact that the Panamanian Armed Forces sided with the people and the people's demands was a historic event. Instead of being an Army that represses workers, peasants, students, and the people in general to defend the interests of the canal, the Panamanian Armed Forces is a force that plays a patriotic role and recovered the Panamanian people's rights over the canal. That was a great event; we witnessed it. There is no comparison between the role played by the Panamanian military men and the one played by other military men in other Latin American countries.

"As a revolutionary, I place great importance and value on that event; I believe it is important to explain and clarify. It is very important that all progressive, democratic governments of Latin America understand what is at stake in Panama. The sovereignty and independence of a sister Latin American nation is at stake in Panama."

[Guevara] In another part of his interview with the Panamanian press, President Fidel Castro stated that the path to follow now concerning the Panamanian situation is the same one the progressive countries followed when England attacked Argentina for the occupation of the Malvinas Islands. Let us listen to Dr Castro:

[Castro] "At the time of the Malvinas Islands war, Argentina was ruled by one of the most discredited governments in the world; it was one of the most repressive governments in the world. I would say that government was condemned by world opinion. However, when the Malvinas conflict came about, all of Latin America and the Third World sided with Argentina. We all forgot about the kind of government Argentina had at the time, and we said: We must think of the Argentine people and their fair demands and rights over that land.

"We talked, worked with, and even convinced some people. There were some Third World countries belonging to the Nonaligned Movement, former British colonies, that were a bit confused. They confused the Malvinas Islands case with Belize or Guyana. We told them those cases were not even similar. We told them the Malvinas Islands were inhabited by very few people, who were British and wanted to continue being British. We told them there was no sense of nation there. In the end, despite that discredited government, all of the Latin American and Third World countries and peoples supported it. It was great support.

"There is no war in Panama, but in a certain way it is a similar yet very different situation. The National Guard, the Torrijist process, the Panamanian cause is well known and recognized throughout the world. It has great prestige in the Nonaligned Movement and the United Nations.

"The Panamanian Government is not a repressive government against the people. It is a process that sided with the people. That is the great difference between Panama's case and the case of Argentina and the Malvinas conflict. The Torrijist process has not used violence to claim its rights. On the contrary, it has followed a peaceful, political, negotiated path. Yet something more important is at stake in Panama than on the Malvinas Islands. Argentina's independence and sovereignty were not at stake then; the rights over the Malvinas Islands were at stake. However, in Panama, with the canal lying like a sword across the heart of the Panamanian people for decades, much more is at stake. Panama's independence and sovereignty are at stake in Panama now."

[Guevara] The meeting with Panamanian reporters lasted for over 3 hours. We are now offering only excerpts of that interview, which included important statements. At the end, in reference to Armando Valladares, current U.S. ambassador to the UN Human Rights Commission, who the Cuban regime filmed while pretending he was disabled in a wheelchair, Dr Castro said:

[Castro] "We discovered this individual woke up every day, [words indistinct] there is a film of all this; it is a complete show. Anyway, he woke up every morning; he looked like this and then went to the bathroom to do calisthenics. Not even Charles Atlas could exercise the way that individual did. We have the film. The man continued pretending.

"There was such a huge campaign about him throughout the world: the poet in the wheelchair, a Castro prisoner. They even blamed me for everything. Several people, including Mitterrand, became interested in the case. One day, [Regis] Debray—I think it was a book he wrote in the same style of Jean Jacques Rousseau—talked about everything; he told the story. He said he was disappointed, because Valladares was neither a poet nor a cripple, and in the end he was not even a Cuban citizen, because that individual is now a U.S. citizen.

"In that book, he explained his disappointment. It was Debray who came. The rightist press manipulated in France and Europe conducted great campaigns about that individual. They exerted pressure on the French and Spanish Governments and others. That is the mechanism. We dislike to be pressured.

"Valladares did not show up when we discovered he was a sham, a complete liar. I do not know whether he also deceived the Yankees. Sometimes I think he also deceived the Yankees, because in the last few days and because of all those things in Geneva, we received a confidential U.S. State Department document. The document has instructions signed by Shultz and addressed to many U.S. ambasadors. Fair and generous hands sent us a copy of this confidential document. We made a pamphlet. What does the document say? It says: What is being said are lies. Cuba, the perpetrator of torture and human rights violations, is trying to defend itself by accusing Valladares of being a Batista guard, which is a lie. The document gives many arguments on all that. The document states that the videotape is false and was filmed with technical violations. [sentence as heard] The document says many things. It contains 15 lies. We had no choice but to seek evidence."

Panamanian UN Envoy on Current Situation

PA012232 Havana International Service in Spanish 0000 GMT 1 Mar 88

[Interview with Jorge Ritter, Panamanian ambassador to the United Nations, by Julio Dominguez; date and place not given—recorded]

[Text] [Dominguez] How would you describe Panama's current situation?

[Ritter] The current situation is a difficult one. I feel Panama is asking for less than any country could; it only wants to resolve its own problems. Panama experienced an institutional problem, and the political parties, the Panamanian political forces, the labor unions, and the Armed Forces have already expressed their views. However, the United States continues bent on recognizing a president with no government. There are threats of intervention, economic sanctions, and a refusal to recognize the government.

[Dominguez] How successful was Monday's strike called by the Panamanian rightist sectors?

[Ritter] The strike was not as successful as the opposition expected. Some stores opened their doors; the banks and supermarkets opened. The country was not paralyzed. But because the strike was called by the Chamber of Commerce, there were some stores closed.

[Dominguez] How are relations between Panama and the United States? Are the canal treaties being respected?

[Ritter] After being sworn in, Solis Palma said he would ask the United States to maintain its commercial and diplomatic relations with the country. He said these relations must be based on respect for Panama's dignity and sovereignty, and respect for the canal treaties is the basis for this respect of dignity and sovereignty. This is Panama's generational struggle, and I believe no one could ask for less.

CTC Calls for Solidarity With Panama

FL012031 Havana Radio Rebelde Network in Spanish 1800 GMT 1 Mar 88

[Text] The Central Organization of Cuban Trade Unions [CTC] has issued a call to all trade union and progressive movements of Latin America and the world in general to offer their solidarity with the workers, people, and Government of Panama.

The CTC strongly condemns the attempts of the Reagan administration to remove General Manuel Antonio Noriega, chief of Panama's Defense Forces, from office. They also reject a possible economic blockade against Panama. The CTC also asked that the threat made by Republican Senator Alfonse D'Amato not be carried out, a threat of a U.S. military intervention in Panama with their 10,000 marines from the Southern Command located in the Panama Canal Zone.

It is expected that President Ronald Reagan will today announce new reprisals against Panama since that country's legislature refused to remove Gen Noriega.

According to press reports, the United States will impose high tariffs on Panamanian imports into the country and will block Panama's requests for loans from international financial institutions.

Castro Meets With Nicaragua's Bayardo Arce

FL011133 Havana Radio Progreso Network in Spanish 1115 GMT 1 Mar 88

[Text] Commander in Chief Fidel Castro met with Nicaraguan Commander Bayardo Arce Castano, vice coordinator and member of the FSLN National Directorate.

During their talks they analyzed in depth the political, military, and economic situation in Nicaragua, which is the result of the permanent hostility and aggression from the U.S. Government. In addition, they reviewed the progress of the implementation of the Esquipulas agreements and the efforts of the Sandinist government to support them.

Fidel and Arce also analyzed the situation in Central America and other international topics of political and economic interest.

Comrade Bayardo Arce is beginning a tour of the Soviet Union, the GDR, Bulgaria, Poland, and Hungary. He is accompanied by a delegation which includes members of the FSLN and the Nicaraguan Government.

Villa Clara, Holguin 'Ready for Defense'

R. Castro Speaks

FL261930 Havana Tele-Rebelde Network in Spanish 1323 GMT 26 Feb 88

[Speech by FAR Minister Raul Castro at the Augusto Cesar Sandino Stadium in Santa Clara during ceremony accrediting Villa Clara Province as "ready for defense, first stage" on 25 February—recorded; broadcast in progress]

[Text] ...despite the various weather problems, the year that just ended was undoubtedly one of the best in recent years for Villa Clara. The Desembarco del Granma textile complex for the first time exceeded its production plan, almost 10 years after it was built. It was able to achieve the goals in line with the policy of rectification of mistakes we are engaged in. I remember that during that complex's opening ceremony held on 2 December 1979, Comrade Fidel mentioned the numerous resources used to build it, the many job opportunities it offered, and, above all, the need the country had for increasing textile production to meet the needs of the population and for exports. He also mentioned how important it was, in order to reach those objectives, to constantly struggle to improve organization and work productivity, and, above all, to consolidate labor discipline. Many present here will remember the vibrant call made then by the commander in chief when he said: Now it is the complex workers' turn to have a say-so. They have to take up the cause with their own hands and make the plant produce with the same workers' spirit with which it was built.

That commitment is still valid today, not only for that textile complex's workers but for all the workers of this province who, faithful to their best traditions, should continue working hard to turn Villa Clara in a solid bastion of our economic development.

Other important productive areas also had outstanding results in 1987. For example, the fishery industry exceeded the historic levels for the catch of lobster, bonito, and sponges, which are important export goods. For its part, the sugar industry, still affected by Hurricane Kate's aftermath, has been working hard in an attempt to recover and stabilize production of over 1 million tons. Because of this, they need to increase planting to some 3,400 caballerias this year and also have to increase industrial yield, among other measures. Meat, milk, tubers, and tobacco production are encouraging. New historic records were set last year. Villa Clara reached vegetable and coffee levels close to the highest ones registered up to date. [applause]

Today we have a much better defense system than the one we had some years ago. The war of all the people training has multiplied many times our defense capabilities and, more importantly, has shown us the right road to safeguard, with our own strength, our people's independence and the revolution's survival.

If you, Villa Clara people, who more than once helped to shred the enemy's plans of turning your dear and heroic territory into a spearhead against the revolution, will be on the front line of future combat by strengthening and improving your defense training, working with this high spirit for the construction of socialism which characterizes you. Viva our combatant people! [crowd shouts:"Viva!"] Viva Villa Clara people! [crowd shouts: "Viva!"] Viva Fidel! [crowd shouts: "Viva!"] Fatherland or death! [crowd shouts: "We will win!"; applause]

Holguin Ceremony Held

FL272000 Havana Television Service in Spanish 0100 GMT 27 Feb 88

[Text] The banner declaring the residents of Holguin Province as ready for the defense, first stage, was presented by Army General Raul Castro Ruz, second secretary of the PCC Central Committee and FAR minister. Comrade Miguel Cano Blanco, member of the PCC Central Committee and first secretary in Holguin, received the banner.

The ceremony, held at the Major General Calixto Garcia Iniguez Square, was characterized by its high artistic display and the strong conviction of Holguin's residents that the achieved goals constitute a greater commitment to continue working and declare themselves in the future ready for defense, second stage. Army General Raul Castro Ruz said:

[Begin Castro recording] Today we proudly declare Holguin ready for defense, first stage. [applause] We present the banner which accredits you as such and shows you were able to earn it with honor. In the course of the inspections, the seriousness of the work done and the responsible and enthusiastic participation of the people was made evident. One of the most important aspects, and one that reflects the patriotic and revolutionary spirit of the children of this land, is that over 90 percent of the able population is currently involved in defense in one way or another. Proof of this is that over 100,000 comrades participated in the inspection. [end recording]

R. Castro Speaks at Ceremony

FL011700 Havana Tele-Rebelde Network in Spanish 1247 GMT 29 Feb 88

[Speech by Army General Raul Castro, second secretary of the PCC Central Committee and FAR minister, at the Major General Calixto Garcia Iniquez Square in Holguin during ceremony accrediting Holguin Province "ready for defense, first stage"; date not given—recorded]

[Text] [Applause] The first requirement in the economy, as well as in defense, is that everyone fulfill their duties, that everyone carry out their tasks with responsibility and love, no matter how simple they are. Every task must be performed with love. If there is no love of work, there can be no motivation, and without love and motivation no work can be done well. And if we profoundly love our revolution and all of us are willing to give our lives for it and for (?the benefit) of our own children and grandchildren, how can we not love the work we do anonymously every day? [applause]

In that sense, there is no doubt that the rectification process which we are undergoing patiently and without haste has given positive signs of renewed discipline and productivity. However, this historic moment demonstrates something else. It shows a new-found dedication that is more completely expressed in the revitalization of volunteer work.

Proof of what the masses are capable of doing when they become aware of the need for that effort can be seen in the large construction campaign which the people have undertaken to build social projects, especially in the capital. This was called for by the party and Fidel and it has served as an incentive and a source of encouragement for the rest of the country, which has witnessed with satisfaction the rebirth of the minibrigade movement. Women, men, and even children have joined this movement with fervor, and it has become a beautiful symbol of unselfishness and disinterest. As you know, at the beginning of the revolution Che Guevara was the major promoter of this movement.

However, this quota of sacrifice is assumed by the working people, by all revolutionaries, when we are able, as Fidel has said, to appeal to the conscious, honor, and

decorum of men, instead of requiring the fulfillment of goals and applying the fanfare of propaganda, as often occurs. This can seem formal or become a burden to the participants. One must work on strengthening the conviction and stressing the urgency of not skimping on a single effort, giving with love all the time we are able to give, of working together as one in the great collective task of eliminating the backwardness that resulted from more than half a century of capitalist exploitation and in the midst of the constant hostility we are confronting and the defense spending we are required to make because of U.S. imperialism.

When I talk about volunteer work, I am not referring to the kind of work we sometimes do without any type of planning or without having the appropriate materials or tools available. I am not talking about the cases where superficial leaders at all levels have mobilized thousands of men and women from the country in order to fulfill their goals and then they find nothing in the location they have been assigned. [applause]

I interpret volunteer work as it was founded by Che, the type of work Comrade Fidel has made reappear and which he recently described. If I can only work 5 hours, that is what I will do. If I can give 20, then 20. If I am able to work 50 hours, I will; and if I can work 120, I also will, but voluntarily. I do not mean voluntary at gunpoint or by social requirement. [applause] Each person has to do what he can and he has to do it with love. [applause]

We are aware of and concerned about all the work done by our heroic, mangificent women. We are still dragging machismo around as a remnant of the past. [applause] We still have some of this, even though it is only a little. [laughter] I am one of those who has improved very much in this area with the help of Vilma [Espin] and Fidel. [laughter]

We come home, take off our shoes, get our slippers, and have a little coffee or beer—if there is any—and we watch TV. Our comrades may work; have small children; belong to a trade union, the Federation [of Cuban Women], or the CDR [Committees for the Defense of the Revolution]. She also may have the misfortune [as heard] of being a member of the PCC or the UJC [Union of Young Communists], which involves other tasks. She will pick up her child at the center and begin working, washing diapers, cooking, and so forth. If she is a member of the militia because she is a revolutionary, she has to fulfill her 40 hours a year of training. If we bureaucratically require everyone to work 120 hours and women even more... [changes thought] I would like to know if anyone has added up the hours in a week and in a year and then taken into account Sundays [words indistinct]. It has to be organized well. Everything can be done well, including respect for the sacred time of the people and their right to rest. [applause]

In addition, if a married comrade, working, with children, arrives at her cadre and is given an extra job by her block's federation, and when she finishes this, she is given another task by her CDR, how many volunteer tasks does she have, from how many organizations? Who adds all this up? Who figures this out? Who responds?

It is clear to me. Whether the volunteer work is organized well or not, without cohesion, our party and all our leaders are responsible in all instances. [applause]

Some tasks will be more important than others. Some will be more urgent than others, but the primary and secondary tasks must be taken care of. There is time for everything. There are enough revolutionaries in this country for everything. But it must be done well and in an organized manner and without much fanfare on fulfilling goals, commitments, and so forth.

Projects are love, and the final numbers are what will give us our last assessment. This applies to the replanting of forests. I do not want to be told in the future that 30 million trees were planted in Holguin. I want to know how many little trees were saved after they were planted and nurtured. [applause] I want to know what survived and not what was planted.

Vice President Stops Over in France

FL271703 Havana Radio Reloj Network in Spanish 1628 GMT 27 Feb 88

[Text] Carlos Rafael Rodriguez, member of the PCC Politburo, arrived in France today. He is on his way to Malaysia. In Malaysia Rodriguez will attend a working meeting of the South Commission which will be presided over by Julius Nyerere, Tanzania's chief of state [title as heard].

The meeting will also be attended by other Latin American officials such as Carlos Andres Perez, Enrique Iglesias, Celso Hurtado, and Aldo Ferrer. When the meeting ends, the Cuban vice president will go on an official visit to New Delhi at the invitation of Indian Prime Minister Rajiv Gandhi.

Arrives in Malaysia

FL011757 Havana Radio Reloj Network in Spanish 1502 GMT 1 Mar 88

[Text] Carlos Rafael Rodriguez, vice president of the Cuban Council of State and Ministers, arrived in Kuala Lampur today, Malaysia, to attend the second meeting of the South Commission on Third World Development Affairs.

The nongovernmental South Commission was created to promote cooperation in view of the dramatic situation of developing countries in Asia, Africa, and Latin America.

Rodriguez and his companions were received at the Kuala Lampur airport by Malaysian Deputy Foreign Minister Fadzir Che Wan.

Cuban diplomatic sources told PRENSA LATINA that the Cuban vice president will be be received by Prime Minister Mahathir bin Mohamed, who will give a dinner in honor of his arrival.

Rodriguez will attend the three working sessions of the South Commission, which first meet in Geneva, Switzerland—where it has its headquarters—in October 1987.

Dominican Republic

Demonstrators Protest Economic Policies

FL011338 Bonaire Trans World Radio in English 1130 GMT 1 Mar 88

[Text] Police fired tear gas into a crowd of demonstrators yesterday in the capitol of the Dominican Republic. The demonstrators had blocked roads and overturned cars in a protest against the government's economic policies.

The incidents followed a series of protests last week in the interior. President Joaquin Balaguer attempted to calm the situation in a speech over the weekend. Mr Balaguer admitted that a great number of citizens are unsatisfied with that administration and its economic policies.

While the situation may seem gloomy at times, he said, the country also registered a considerable increase in its gross national product and continued to pay its foreign debts in installments of close to $150 million to the World Bank, the IDB, and the IMF.

The president also announced a 25-percent increase in the minimum wage of government employees effective April 1.

Grenada

Cabinet Reshuffled; Jones Relieved of Post

FL011848 Bridgetown CANA in English 1814 GMT 1 Mar 88

[By George Worme]

[Text] St. George's, Grenada, March 1, CANA—Three new ministers were named and deputy prime minister, Ben Jones, relieved of responsibility for legal affairs, in a sweeping reshuffle of the Grenada cabinet announced Tuesday.

Jones, who has deputised for prime minister Herbert Blaize on many occasions both in and out of Grenada, relinquished the position of attorney-general and minister of legal affairs to Danny Williams, the minister of health.

Jones, however, still retains responsibility for three key portfolios: foreign affairs, agriculture, and tourism, as well as for lands and forestries.

Williams himself has been relieved of responsibility for women's affairs which has now been added to the portfolio of Dr Keith Mitchell, who is also minister of communications, works, public utilities, cooperatives, community development, and civil aviation.

The three newcomers in the cabinet are all ministers of state: Ben Andrews, minister of state for education, culture, youth affairs and fisheries; Norton Noel, minister of state for social security, local government and labour; and Lawrence Joseph, minister of state for legal affairs and national security.

Mitchell has had civil aviation and cooperatives added to his portfolio, positions held previously by education minister, George McGuire.

Junior minister of state in the ministry of health, Grace Duncan, leaves the post, and joins Mitchell's office with special responsibility for women's affairs and community development.

Information has now been added to the responsibilities of minister of state for finance, trade, industry and energy, Felix Alexander.

Prime Minister Blaize announced to enlarge his Cabinet about two months ago to ease the workload of ministers and give them more time to visit their constituencies.

The changes announced Tuesday were the most radical in the three-year-old New National Party (NNP) administration since several key members left the party last year to form a new opposition political organisation, the Democratic Labour Congress (DLC), under the leadership of former agriculture minister, George Brizan.

Following is the full 12-member cabinet:

—Herbert Blaize—Prime Minister, and minister of national security, home affairs, Carriacou and Petit Martinique affairs, information, energy, finance, trade, industry, and economic planning.

—Ben Jones—Minister of external affairs, agriculture, tourism, lands, and forestries.

—Danny Williams—Attorney general, minister of legal affairs, health, housing, and physical planning.

—George McGuire—Minister of education, social security, labour, culture, youth affairs, sports, local government, and fisheries.

—Keith Mitchell—Minister of communications, works, public utilities, cooperatives, community development, women's affairs, and civil aviation.

—Pauline Andrews—Minister of state for agriculture and tourism.

—Grace Duncan—Minister of state for women's affairs and community development.

—Alleyne Walker—Minister of state for works and cooperatives.

—Felix Alexander—Minister of state in the prime minister's ministry with special responsibilities for information, finance, trade, industry, and energy.

—Senator Lawrence Joseph—Minister of state for legal affairs and national security.

—Senator Ben Andrews—Minister of state for education, culture, youth affairs, and fisheries.

—Senator Norton Noel—Minister of state for social security, local government and labour.

Haiti

Government 'Concerned' About Panamanian Events

FL012225 Port-au-Prince Radio Nationale in Creole 1400 GMT 1 Mar 88

[Text] The Haitian Government has stated its position on the current crisis in Panama.

The Haitian Government is extremely concerned over the latest developments in the current Panamanian political situation. These developments cast doubt on the democratic process in the sister Republic of Panama. The Haitian Government is anxious to see the principle of the supremacy of a civilian government acknowledged and upheld, as the normal expression of representative democracy. Also, the Haitian Government respects the principle of nonintervention in Panamanian events.

The Haitian Government has received the communique on these events issued by the foreign ministers of the Contadora Group, and states that it fully supports both the spirit and the letter of the communique. The Haitian Government reiterates its total adherence to the principles and the position adopted therein.

The foreign ministers of Argentina, Brazil, Colombia, Mexico, Peru, Uruguay, and Venezuela met in Cartagena on 26 February 1988 to study the serious political events in Panama. They declared that they respected the principle of foreign countries not meddling in the internal affairs of a nation even when those countries were friends of that nation, and of respecting everything that was going on in the nation.

They were careful to refrain from commenting on the causes and the facts in connection with the Panamanian political situation.

In conclusion, they said their governments were anxious to respect the principles of nonintervention and of a people's right to self-determination. They rejected all direct or indirect attempts by foreign countries to meddle in the internal affairs of Panama and all threats or use of force aimed at interfering in the decisions of the Panamanian people.

The Haitian Government also supports this position.

U.S. Aid Cutoff Closes Health Agency

FL012241 Port-au-Prince Radio Nationale in Creole 1400 GMT 29 Feb 88

[Text] An administrative memorandum dated 15 February 1988 and addressed to all employees of SNEM [National Department of Major Endemic Diseases] nationwide is being circulated by the institution's general administration. It announces that all SNEM activities will cease as of 15 March 1988. The reason, according to the memorandum, is the fact that the assistance furnished by USAID to SNEM has been cut off.

It seems that USAID informed the Haitian Public Health Ministry in a letter that it will not assume responsibility for financing the goods and services provided by SNEM as part of its agreement after 15 March 1988.

Thus this memorandum announces that SNEM activities will cease on 15 March 1988. Aid has been cut off.

We remind listeners that other health institutions, such as family planning and rural health projects, are in the same situation as SNEM. Aid has been cut off. There is no money. Activities will be blocked as of 15 March 1988.

El Salvador

Duarte Discusses Position on Solis Government

PA012305 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 1 Mar 88

[Interview with President Jose Duarte by Javier Najarro on 1 March; place not given—recorded]

[Text] [Duarte] The problem in Panama is between the Panamanian people and the military men, who are imposing themselves on the Panamanian people.

Communists are using the anti-imperialist scheme and the canal problem as an excuse. However, at the bottom of the problem is an action carried out by Colonel...[corrects himself] General Noriega, who holds power by force and appoints puppet rulers. This is not the first time he has done that. You must remember the one who was also deposed before Delvalle, and the one before that one. In short, he has deposed of five or six presidents. They simply depose them or invent a story that they are suffering from some kind of illness and appoint new presidents.

However, this time, President Delvalle did not fall ill; therefore, they have tried to depose him through a coup d'etat, a coup d'etat. You know what a coup d'etat means, legally speaking. In Panama, the Legislative Assembly deposed the president; yet, they did not hand the post over to the vice president of the Republic. They also deposed the vice president. [Words indistinct] anyone can elect a person and appoint him president there. That is considered to be a coup d'etat in any country of the world.

[Najarro] Will the Salvadoran Government recognize the government headed by Manuel Solis Palma?

[Duarte] We have not had an ambassador in Panama for some time. We will not appoint one now. We have diplomatic relations with Panama, and we have trade relations. We also have a consul there, because there are many affairs concerning Salvadorans in Panama that we must attend to. Concerning international relations, the decision to break relations is a last resort or extreme. It is not a regular decision.

I said I have a right to state my viewpoint on this situation, because it affects Latin America. If communists support a military dictatorship in Panama now, tomorrow, Latin America will witness the emergence of one military dictatorship after the other, and we will return to the situation in the 1950's.

FMLN Commander Guardado Discusses Advances

PA262253 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 24 Feb 88

[Interview with Commander Facundo Guardado of the Modesto Ramirez Central Front by unidentified reporter at the Francisco Sanchez Western Front; date and place not given—live or recorded]

[Text] [Reporter] We are contacting Companero Commander Facundo Guardado of the Modesto Ramirez Central Front. Our first question is about the situation in El Salvador. The country has been paralyzed for 2 days. However, the High Command claims that this action does not prove the FMLN's military capability. What are your views, Companero Commander Facundo Guardo, on this situation?

[Guardado] The FMLN couldn't care less about the statements made by spokesmen of the Duartist Army High Command. The FMLN's transportation stoppage and sabotage campaign against the Duartist economy show the people and the whole world that Duarte and the High Command do not govern the country. It also makes perfectly clear that the FMLN is an unquestionable political-military power at a national level, in the principal cities, and in the countryside. This transportation stoppage can only be effective, can only be complete with the support and backing of the people. Otherwise, it would not be as effective.

[Reporter] Companero Facundo, the other question is as follows: At this moment of great revolutionary advancements, what is the role of the transportation stoppage within our strategic plans?

[Guardado] The transportation stoppages are part of the FMLN's political-military strategy to overthrow the Duartist regime. Specifically, the current transportation stoppage is part of our political-military campaign, the armed struggle, and combative organization, which is the alternative to an electoral farce. It began with the overwhelming attack on the 6th Infantry Brigade Headquarters in Usulutan. We want to force the enemy to mobilize throughout the territory, making it easier for us to attack them and annihilate their strength. The enemy is trying to do the same to us [words indistinct] to fight in the territory that is favorable to us. This demonstrates that we are forcing the enemy to defend its infrastructure, to mobilize along the highways. This enables us to stage more effective ambushes. It also enables us to [words indistinct] to watch the highways and cities, to strike hard at the Duartist regime. This is part of our strategy, our tactics, and experience has demonstrated its effectiveness.

The enemy is forced to make enormous efforts [words indistinct], and it is clear to the people that it is incapable of controlling the situation. Some government officials have said that we want to destabilize the elections. The FMLN has stated its position very clearly on this.

The current elections are part of the counterrevolutionary war strategy, promoted by the gringos, by the Reagan administration, through the Duartist Christian Democratic government's High Command. They want to hold the elections as part of their strategy; that is what they want. The FMLN has stated this. It is clear that the people's revolutionary struggle is under way. This is not our first transportation stoppage nor will it be our last, and the military operations we have carried out are not going to be the last either. The High Command and Duarte must be clear on this. Our campaign will increase at the national level, both politically and militarily.

It will increase, and that is a fact. The people are living through an unbearable economic crisis for which the Duartist government is responsible. The alternative offered is the alternative to strengthen the political-military struggle to overthrow this regime, to defend the people's achievements for which they have struggled for so many years. The struggle continues and will become stronger. It will become stronger in the cities, the countryside, and along the highways. The High Command is [word indistinct]. Our people have their minds made up; they are clear on this. The only thing the elections offer them are hunger and death, which are not alternatives. The alternative is the people's fighting spirit and the revolutionary struggle.

[Reporter] Companero Facundo Guardado, to end this interview from the Modesto Ramirez Central Front, can you give our combatants, our people a final message? Go ahead, Companero Guardado.

[Guardado] To all our combatants, on behalf of the FMLN, I call on them to abide by all the political-military agreements, to redouble their ambushes and sabotages—their operations to annihilate the enemy—and to support our people in the struggle against the Duarte regime, which is part of the Yankee intervention.

[Reporter] Thank you, Companero Guardado. On behalf of the combatants of the Francisco Sanchez Western Front, please accept our greetings and our embrace for all the combatants of that heroic Modesto Ramirez Central Front.

Guatemala

President Recognizes Panama's Solis Palma

PA012200 Panama City ACAN in Spanish 2035 GMT 1 Mar 88

[Excerpt] Guatemala City, 1 Mar(ACAN-EFE)—President Vinicio Cerezo said today that Guatemala recognizes the Panamanian Government headed by Manuel Solis Palma, "because Guatemala follows the Estrada Doctrine, which recognizes states and not necessarily governments."

However, Cerezo said: "We still have our reservations. We must see the development of the democratization process" in Panama.

Cerezo was interviewed on the Panamanian conflict in one of the hallways of the government palace today, and he said: "We clearly said we are concerned with keeping all doors open for a process of democratization."

Concerning the recognition of General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces; and deposed President Eric Arturo Delvalle, Cerezo stressed: "Basically, we do not have to ratify a recognition we never withdrew."

Cerezo added: "According to the Estrada Doctrine, we recognize states and not necessarily governments."

Cerezo favored "the possibility of Guatemala's keeping its doors opened to mediate and avoid confrontations and the polarization of forces in Panama."

Cerezo said: "In Panama, Guatemala, or any country, there is no reason to suspend freedoms and accept the election of future leaders." [sentence as received]

The Guatemalan president ratified his "will" to support democratic movements, and he stressed that "Guatemala can mediate in the conflict." [passage omitted]

Honduras

Government 'Deplores' Dismissal of Delvalle

PA020055 Hamburg DPA in Spanish 2243 GMT 1 Mar 88

[Text] Tegucigalpa, 1 Mar (DPA)—The civilian government of Honduran President Jose Azcona Hoyo "deplores the dismissal of constitutional President Eric Arturo Delvalle," because it is an act that disrupts constitutional order, adding that it is "studying the situation."

The Liberal administration also disavowed its ambassador to Panama, Colonel Rigoberto Regalado Lara, who had declared that the replacement of President Delvalle by his successor, Manuel Solis Palma, had been in accordance with that country's Constitution.

According to the presidential Press Secretariat communique released this afternoon, "the government (of Azcona Hoyo) notes that it does not necessarily share the opinion of its Ambassador (Regalado Lara), as expressed in a news interview held in this capital (Tegucigalpa)."

The civilian government described the situation in Panama—in which President Delvalle's decision to dismiss the powerful General Manuel Antonio Noriega, chief of the Panama Defense Forces, led to his dismissal—as "unusual political incidents" that affect the other countries of the region.

Also, President Azcona Hoyo, through the presidential communique, notes that the Honduran ambassador to the canal country will remain in Tegucigalpa "until a clear picture is obtained" on what is happening in Panama.

The Honduran Government was forced to react officially at the last moment, in the wake of statements issued by its ambassador to Panama, Ambassador Rigoberto Regalado Lara, affirming in this capital that Delvalle's replacement was in conformity with that country's constitutional precepts.

Many in Tegucigalpa considered this indicated an explicit recognition of the new provisional government headed by Manuel Solis Palma, but the situation appeared to be to the contrary, because it is gathered from the communique that Honduras continues to recognize Delvalle as president and the same makes no mention of Solis Palma.

The Honduran Government communique concludes by stating that "it reiterates its faith in the inter-American system, which establishes representative democracy as a fundamental norm of coexistence among the states."

Nicaragua

Defense Ministry Charges U.S. Troop Deployment

PA020500 Paris AFP in Spanish 0429 GMT 2 Mar 88

[Text] Managua, 1 Mar (AFP)—The Nicaraguan Defense Ministry charged tonight that during the past few days, the U.S. Army has carried out an "unusual" deployment in the Central American area.

In a bulletin citing "intelligence sources," the Defense Ministry states that the U.S. Southern Command based at the Panama Canal "has been transferring ammunition and different types of explosives to be stored in Costa Rican territory," on the border with Nicaragua.

At the same time, it claims there has been a "substantial increase" in aircraft flights of "cargo and transport from U.S. territory to Palmerola Base in Honduras.

The communique notes that the transport aircraft are C-5A Galaxys, C-141 Starlifters, and C-130 Hercules, "which conduct up to 9 and 10 flights daily, carrying troops and mainly cargo."

Managua's government explained that "normally" these aircraft make from three to four flights daily.

The communique also notes that U.S. Forces "have transferred" to border sectors of Nicaragua in the Honduran department of Choluteca. [sentence as received]

Up to 1,000 men were reportedly taken to Choluteca, composing "a reinforced infantry battalion," which includes an 82d Airborne Division unit used 4 years ago to invade the Caribbean island of Grenada.

The official report also notes the transfer of a "special troops" company called "Tiger Task Force," to Durzuna sector in the proximity of the Honduran Mosquitia region on the Nicaraguan border.

The Defense Ministry reported that those military units "have increased the number of troops" that are usually based in the neighboring country.

The ministry did not make any additional comment on the report.

Ministries Merged To 'Streamline' Government

PA012015 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 1 Mar 88

[Excerpts] The Justice Ministry was dissolved and an Attorney General's Office for Justice was created as part of the measures to streamline the government. [passage omitted] Justice Minister Rodrigo Reyes will become the attorney general for justice. Reyes said the consolidation of the judicial system was necessary because of our scarce technical and human resources:

[Begin recording] A large number of Justice Ministry cadres whose positions have been abolished by this consolidation will now be transferred to the judicial branch; that is, they will now become judges, magistrates, court secretaries, and so on. [end recording]

Reyes said this new judicial office has submitted to the National Assembly a new bill on operations of the Attorney General's Office for Justice. The bill will regulate the new office's functions.

Another bill amending the legislation on penal procedures was submitted to the Assembly. The bill will reduce the attorney general's jurisdiction over penal action.

[Begin Reyes recording] The Attorney General's Office will not have the wide powers it had before to file charges [words indistinct] for any type of crime but for certain types of crimes only. [end recording]

Some ministries such as the MINVAH [Ministry of Housing and Human Services], which will be merged with the Transportation and Construction Ministries, were studying this morning all aspects of the merger, as well as ways to reduce their budgets by 10 percent. [passage omitted]

The Education Ministry and the Higher Education Council will be merged into a single ministry that will handle all educational matters. [passage omitted] The Industry, Domestic Trade, and Foreign Trade Ministries also will be merged into one ministry.

Arce Leaves for USSR, Socialist Bloc Trip

PA011618 Managua Domestic Service in Spanish 0300 GMT 1 Mar 88

[Text] Nicaraguan President Daniel Ortega this morning saw off Bayardo Arce, commander of the revolution and deputy coordinator of the Executive Commission of the FSLN National Directorate, who left to visit several socialist countries.

Commander Arce will visit the Soviet Union, Czechoslovakia, Poland, Bulgaria, the GDR, and Hungary. Henry Ruiz, commander of the revolution and planning minister, and Commander Monica Baltodano also saw off Arce at the airport.

Prior to leaving, Commander Arce stressed the socialist bloc's solidarity with Nicaragua, and said his tour is to strengthen the country's friendship and cooperation with these countries.

Panama

Legislative Assembly President Opens Session

PA012023 Panama City Television Service in Spanish 1606 GMT 1 Mar 88

[Speech by Legislative Assembly President Alberto Aleman Boyd at the Legislative Assembly session held at the Legislative Palace in Panama City—live]

[Text] Your Excellency Manuel Solis Palma, minister in charge of the Presidency; Honorable Marisol Reyes de Vazquez, president of the Supreme Court; Your Excellencies ministers of state; Your Excellency Francisco Rodriguez, general comptroller; Honorable Yolanda Pulice de Rodriguez, president of the Electoral Tribunal; honorable justices of the Supreme Court and the Electoral Tribunal; Your Excellencies extraordinary and plenipotentiary ambassadors accredited by the Panamanian Government; distinguished members of the Panama Defense Forces General Staff; Honorable Carlos Villalaz, attorney general; Honorable Olmedo Sanjur, attorney general of the administration; Your Excellencies honorable legislators; Your Excellency Omar Quintero, president of the People's Government [Poder Popular]; Your Excellencies, deputy ministers of state; Your Excellencies honorable alternate legislators; honorable representatives of international organizations accredited in Panama; honorable governors of provinces; Honorable Jilma Noriega de Jurado, mayor of Panama City; Honorable Balbina de Perinan, mayor of the San Miguelito District; distinguished directors and deputy directors of state institutions; presidents and general secretaries of the political parties; (?Kabedi), first general chief of the Kunayala area [applause]; special guests; members of the national and international press; ladies and gentlemen:

My first words are to thank all of you for your presence at this forum of the Panamanian people, represented by the honorable legislators who, accompanied by the highest representatives of the Executive Branch and the Judicial Branch, are beginning a historical phase in the Republic of Panama's political, economic, and social future.

Panama is seeking its full development as a dignified, free, and sovereign nation, and to control its own future. Panama has been subjected to a merciless attack by the U.S. Government which, as has been stated in several resolutions approved by this Legislative Assembly, has not stopped at anything whatsoever in its interference in our country. The United States does not feel obligated to respect Panama and Panamanians as a sovereign state and people, as evident by their actions during most of our contemporary history. The attacks and charges and the many offenses made against us are and have been unleashed against one man: General Manuel Antonio Noriega. And these attacks are in fact a pretext, an excuse to disguise their real objective and the true, strategic purpose that this powerful nation has regarding our small country.

I will say this clearly. For the United States, Panama is and must continue being a peon, a very valuable peon that must be judged in accordance with the hegemonic policies and amid the submission imposed on the Central American, Caribbean, and Latin America nations in general. Since the United States does not allow any opposition to this policy, they are willing and determined to destroy any resistance that may emerge. Panama, starting with the historical leadership of General Omar Torrijos Herrera, began to take the road of liberation and independence without the embarrassing guidance that had prevailed in the past. In this way, the route of our liberation was gradually formed, and it will end in the year 2000 when the last foreign soldier leaves the fatherland and the canal is turned over to its legitimate owner, Panama. [applause]

That fact alone is enough to prevent many representatives of U.S. imperialism from sleeping well, because overtly or tacitly they refuse to accept the international obligations agreed upon in the Torrijos-Carter Treaties. For them, it is evident that as the year 2000 approaches, not only Panama but all the Latin American countries are approaching their true independent state , which, until now, had been deformed and controlled by the United States' political, military, and economic influence on the internal affairs of each and every one of our countries. [applause]

When the U.S. people attack the commander of the Panama Defense Forces, they do so knowing they are not attacking a man or even a leader. In fact, they are fighting a project of liberation. They are fighting and attacking the will to resist by all our peoples, so many times humiliated by imperialist arrogance. In truth, what they are doing is declaring war on all those who will not submit themselves to their abuses and threats. In this effort to annihilate the gains the Panamanian people have achieved at home and abroad, and to try to turn us into a colony with puppet leaders subject to Washington's dictates, the U.S. Government and its embassy in Panama have been openly meddling in the domestic affairs of the Republic of Panama. They are supporting political organizations, financing campaigns to discredit us, and advising and encouraging Panama to obey their orders.

It is at this juncture—after meeting several times with Elliott Abrams, assistant secretary of state for inter-American affairs; and after meeting for more than 6 hours with U.S. Ambassador Arthur Davis and following the instructions given him—that Mr Eric Arturo Delvalle, in clear violation of constitutional and legal precepts, separated the commander in chief of the Defense Forces from his post. He based his decision on the fact that a trial had been initiated against the commander in the United States, an action equivalent to making Panama a U.S. colony—because with that attitude, Eric Delvalle publicly admitted that U.S. courts have jurisdiction in the Republic of Panama, and that he would be the local administrator who would execute the empire's dictates. However, the actors of that plot did not remember that Panama, with Omar Torrijos at its head, had not stopped singing: U.S. colony, no! [applause]

No dignified Panamanian could ever tolerate this act of treason, so contrary to our nationalist tradition and injurious to national sovereignty. Because of this, the Legislative Assembly—as the representative of the Panamanian people, whose members have been chosen by popular vote—adopted the necessary measures to guarantee the country's constitutional continuity, at a time when because of pressures from abroad, an effort was being made to introduce or produce economic, political, and social destabilization to the detriment of the Panamanian people; and to undermine national independence and dignity.

The Legislative Assembly has the constitutional duty to be aware of actions carried out by the president of Republic that may violate the Constitution and the laws, and any acts that constitute an abuse of his duties as president. The Assembly did this by deciding to remove the president because he violated Article 179, No 2 of the Constitution, and Law No 20 of 1983 on the Defense Forces Statute. He abused his duties, attacking the international personality of the Panamanian state. The Legislative Assembly also removed Vice President Roderick Esquivel because he abandoned his post for more than 8 months, thus violating Article 180 of the Constitution. Because these actions resulted in the vacancy of the posts of president and vice president of the Republic, the Assembly reported these events to the Council of Ministers, which then decided—based on Article 184 of the Constitution—to appoint one of the ministers to act as Presidency minister to fill the vacancy for the current presidential term. The minister was duly sworn in by the Legislative Assembly, as established by the Constitution, thus maintaining the constitutional order.

The time of hesitation is over; the time has come for making decisions. Decisions must be the result of consensus by all good Panamanians who desire a future of progress and prosperity. These decisions must lead us to firmly commit our support to the institutions, which, through the Electoral Tribunal, must successfully carry out the 1989 elections. Less than 1 year before that goal, Panama cannot afford to agree to foreign impositions in any sector, much less in political matters that are the exclusive responsibility of Panamanians.

We cannot subject ourselves to the whims of the empire simply because Washington refuses to abandon the interventionist path. The time for rectifications has come, which our people have demanded so many times. We will again resume the Torrijist practice of dialogue. [applause] We will resume the practice of consultations and implementation of popular measures in which the struggle against hunger, diseases, ignorance, and unemployment will be our main objective. [applause] Our main concern will basically be the underpriviledged, the needy, and the poor, those who possess little or nothing. This gigantic task is not the exclusive duty of the honorable legislators or the executive branch. It is also the duty of workers, organized peasants, the transport sector, the industrialists, [applause] the businessmen, the Panamanian youths, the labor and civic organizations, the church, the political parties, the universities, the military men, and all those Panamanians who, placing the interests of the fatherland above any particular interest, are willing to contribute with their efforts in this path: The Torrijist path. [applauses, shouts]

Our role as legislators will be to draft and approve the laws necessary to complement the Executive Branch's actions that intend to resolve problems in the education, labor, health, agriculture, trade, and industry sectors; and in any other sectors where it becomes necessary to issue new regulations or amend the existing laws.

All permanent commissions and all honorable legislators will have to work very hard and intelligently, and must not waste time to fulfill their duty as legislators, which is one of our obligations to the fatherland. Our responsibility regarding the approval of the national budget is also part of our duties. This Assembly has the responsibility of approving the budget as soon as possible. I firmly believe this will be a true test for each and every

one of us. The political and economic path the nation will take will depend on the content of the bills we approve and on the legislative and fiscal measures we adopt.

We have in our hands the responsibility to adopt measures, taking into account the interests of the national majorities, inspired in a true national liberation plan, or subject to the decisions of the international banks exploiting us. I am saying this fully aware of the seriousness of the crisis we are experiencing. The suffocating situation they have tried to impose in Panama is particularly the result of conditions imposed by international creditors on our country for the payment of the foreign debt, which is unpayable not only for Panama but for every Third World country. [applause]

If the terms and conditions the IMF and the World Bank have been demanding are accepted, I have not the slightest doubt the government would be committing political suicide. What is truly being asked of us to be up to date with our creditors is what the IMF and World Bank have been doing in a seditious manner for the past 9 months. They want us to decree the ouster of the regime.

New orientation in economic planning is needed. We need true nationwide economic planning, because this has been nonexistent for a long time. (applause) We need different government criteria regarding the international credit organizations. The foreign debt cannot be paid—open parenthesis, much less under the terms in which the creditors are demanding, close parenthesis—without jeopardizing the very basis of our existence as a nation.

Moreover, it is becoming increasingly clear that privations and sacrifices that may be imposed on the people to pay the foreign debt will only lead to repression and social violence. We reject these kinds of solutions. [long applause] We must end the political paralysis to which an important part of the state structure has been driven. We must put this government to work by the people and for the people. [applause] We are going to conduct the rectifications the people are demanding, which can wait no longer. All of us are now obligated to act with decisiveness and strength regarding those who seek to install in our country a regime docile to the dictates of the Panamanian people's enemies. Those who do not act accordingly cannot expect a kind ruling by history.

Mr Presidency Minister, honorable legislators: This is a crucial phase. There is no room here for doubts or confusion. The fatherland is in peril and expects the best from us to lead it into fulfilling its destiny. Let us accompany the people in this period of struggle and consolidate our sovereignty and independence. To those ignorant of our history and struggle who seek to turn us into a colony, we want to remind them of Omar Torrijos, who lives in the heart of our people. At a memorable and historic time in our history, he said: As a very special message that the citizens have asked me to give, we want to tell the conscience of the world—let this be perfectly clear—this cry is from all of us. We have never been and will never be a commonwealth, colony, or protectorate; nor do we want to add another star to the U.S. flag. [long applause]

Solis Palma Addresses Assembly

PA012300 Panama City Television Service in Spanish 1700 GMT 1 Mar 88

[Speech by Presidency Minister Manuel Solis Palma at Legislative Assembly session held at Legislative Palace in Panama City—live]

[Text] May I express our most cordial greetings to the ambassadors of the countries and governments represented here. These greetings convey the fraternal gratitude of people who know you support their struggles and respect their sovereign and constitutional decisions. Your presence and representation—in addition to stressing the validity of international law and respectful coexistence among states—is a dignified expression of political independence. It also reflects disagreement with those who believe Latin America is doomed to live and perish tied down to imperialism's manifest destiny. Ambassadors: You should know the Panamamanian people will never forget those who were at their side when their fate reached the crossroads of definitions. [applause]

I take this opportunity to reaffirm our Latin American condition and to stress the historical ties binding us to our peoples, with special feelings of affection and appreciation for the nations we share our borders with—Colombia and Costa Rica—borders that do not separate us but unite us with everlasting fraternal ties.

In the history of the Panamanian national state, many men and women have given their blood and their lives so the patriotic and nationalistic generation that today directs our nation's destiny would place them as the light that brightens the path toward final victory. For all those heroes, from Urraca to Torrijos, our greetings and applause. [applause]

Today I attend this great Assembly of the Panamanian people to comply with the mandate of reporting on the national government's efforts. However, I am more worried about our future than our past. Therefore, even though we recognize the value and importance of the past for building a better future, I have preferred to record the achievements and limitations of the government's work in the memories of the administration. Therefore, in this presidential message, we will define some of the fundamental concepts and guidelines that will support and guide my government's actions to the end of the current constitutional period.

My appearance at this high national platform as president of the Republic—I mean, as minister acting as president— is a historic duty that cannot be refused and

that this honorable assembly and the ministers of state have placed upon me by virtue of Article 184 of the Constitution. I have been designated to serve as a guide for the nation's destiny in a difficult moment when our country suffers one of the greatest aggressions in its history by a sector of the U.S. Government that plots with some Panamanians without a sense of homeland, who harm dignity, sovereignty, and the right for social justice, all of which the Panamanian nation cannot relinquish.

It is important for me to point out here that for over 1 year, General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP], has been the victim of one of the most violent and vicious campaigns of slander and discredit that any leader has ever been subjected to.

These attacks had the clear political intention to discredit the FDP and its commander as a bulwark of the country's nationalist struggle. This cruel aggression, which has brought about a critical political and economic situation, particularly affects our people's lower sectors.

All these developments have taken place even though our country has been a traditional ally of the United States. Our country has shared with the United States the historic responsibility of defending the Panama Canal, just as it now shares with it the management of the canal. Never in its history, not even in the most critical moments of confrontations regarding the canal, has Panama recorded a single case of sabotage on this interoceanic passageway. No Panamanian has ever prevented the functioning of the waterway, which is essential for the international merchant fleets. Therefore, why are destabilizing agents sent to our country? They are trying to sow chaos in a nation that allowed the opening of its very core to serve the world.

Why do some U.S. Government officials, violating the nonintervention principle, publicly participate in the country's domestic affairs and, notoriously, in political activities forbidden them by international law? Why this intensive, progressive, and planned campaign to distort our reality and discredit our leading national personalities? We ask: Why the sanctions, boundless pressure, and unfair accusations against a people who have honored all its obligations? We answer: Is it because of our contribution to the Contadora peace effort, our nationalist struggle to recover national sovereignty on the Panamanian territory of the Canal Zone? Is it because of the FDP's decisive participation in and contribution to the achievements of this struggle embodied in the Torrijos-Carter Treaties? Perhaps the military bases in Panama have become strategically more important in the framework of U.S. worldwide geopolitical interests?

We reiterate that Panama has been, is, and will continue to be friends with the U.S. people, but an equal friend on the international scene. It has its pride and national dignity, decisionmaking power, self-determination, respect for freedom, and respect for the domestic affairs of the other countries. And yet, it also has an unyielding right to decide its own destiny as a free, independent, and sovereign nation. Nobody and no one will ever take this away from us. [applause]

The United States, through the State Department, wants to economically suffocate the Panamanian people, taking from us the water and the salt of our existence. Confronted with this conspiracy in progress, however, we announce that we will struggle unceasingly and tirelessly for our survival, and to protect the Panamanian people from this aggression, we will resort without reservations to any means and to any country to find the resources and support for our salvation. [applause]

We want to maintain the continuity of Panama's social development in which everyone, both nationals and foreigners, enjoy full guarantees to carry out their public and private activities. We want our small nation, which has a great vocation for peace and is located in the midst of a convulsed region, to become an oasis of peace. The government I preside over has the historical responsibility of telling the people that all its efforts and the state resources will be mainly destined to defend the nation's jurisdictional and economic interests, to fulfill the basic needs of the country's majority sectors, and to create and strengthen the structures and conditions that contribute toward maintaining the country's economic, social, cultural, and political development without excluding any sector or group involved or interested in all the Panamanians' welfare.

We intend to carry out a government program that is essentially based on the nationalist principles of a partisan democracy, social justice for all, a rational use of resources, and the efficient operation of state institutions. A Torrijist principle will be the inspiration for all our government's endeavors, and it will be a decisive factor in our domestic and international policies and essential decisions. My government's nationalist principle will be aimed at achieving the following goals: We will strengthen our relations with all countries of the world based on equality, mutual respect, and self-determination. We will not be isolated. In this concern [applause], in this concern our country will consolidate its historical links with our Latin American brothers and Third World countries in general, and strengthen its nonalignment policy. [applause]

Within this framework, my government maintains and reasserts its adherence and pledges to the Contadora Group—which Panama proposed and helped to create [applause]—and the Esquipulas II agreements, which are regional institutions and mechanisms to ensure a negotiated peace in the Central American isthmus. This peace will be achieved within the right of self-determination that corresponds to each of the nations in conflict, and we reassert our principle of rejecting all kinds of foreign interference in our countries' internal affairs. We will

maintain a critical, vigilant, and constructive attitude concerning the implementation of the Torrijos-Carter Treaties and the elimination of Law 96-70, so pledges are fulfilled and Panamanian rights fully recognized—based on the letter and spirit of those treaties. [applause] Consequently, we will work at every level to plan and organize everything so we are prepared for the year 2000. On that date, the U.S. presence in our country will end, and the canal and all the surrounding areas will return to their legitimate owners, meaning all Panamanians. [applause]

An important phase will be completed in 1989 within the progressive and irreversible march toward the achievement of our goal: A Panamanian will become administrator of the Panama Canal, and another generation will thus continue advancing toward the date when the canal will be fully ours. However, that Panamanian should not be subject to the Americans' will. [applause] We will develop our own policy of partisan democracy, which is interpreted by my government as the Panamanians' right to organize and fully participate in all our daily activities. With this goal in mind, we intend to sponsor the following actions: respect all Panamanian groups or sectors— regardless of their ideology, social class, economic class, race, religion, or nationality—as stated in the Constitution. My government will not allow disrespect, no matter who is involved. [applause]

Consequently, we will respect all the citizens' and organizations' right to state their viewpoints, within the terms established by the Constitution, laws, order, and respect for every person. We will thus safeguard their rights and goals, and contribute toward achieving national development.

I reiterate our recognition and respect of foreigners, residents, or visitors, including U.S. citizens, who have had and will continue to have the protection and necessary guarantees for their normal coexistence in our country, as long as they respect us.

For that reason, my government will consolidate the ties with corregimiento representatives through supporting the actions of community and local, municipal, technical, and provincial coordination councils. As president of the Republic, I identify fully with these sectors of the government, because I recognize they are profoundly democratic and respond directly to the needs, interests, and aspirations of our communities. [applause]

We are instructing our ministers and directors of decentralized organizations to work closely with the Legislative Assembly and the provincial coordination councils to channel the state's efforts to attain the national objectives.

We promise before the entire country to redouble the efforts to prepare and perfect the elections that will take place in 1989. We will meet all the conditions to guarantee free and honest elections, with full participation, by means of which the people may be able to freely and conscientiously exercise their right to elect and be elected. This will ensure that the Presidency of the Republic and the other posts to which persons are elected will be filled by those who have received the majority of the honestly counted votes; this, however, will be contingent upon the nonexistence of sedition in the streets. [applause].

To this end, we intend to reinforce the structure of the electoral court. To contribute to the credibility of our commitment to hold free elections, we intend to reorganize the Electoral Tribunal. We will ensure that all political forces, including the opposition, will be represented in the various electoral organizations at all levels. We hope we will have the support and cooperation of all Panamanians in the enormous task of rectifying the methods, systems, and institutions concerned with the electoral process. For us, one of the paths—although not the only one—toward peace and national reconciliation is to hold elections with effective guarantees for all parties and candidates, with full political freedom, and with respect for everyone.

Our administration will reinitiate the Torrijist method of submitting all matters to popular consultation. This is an excellent means for attaining a thorough knowledge of the problems and alternatives of the various national sectors in the difficult and complex situation our country is undergoing.

This policy of participative democracy must go hand in hand with social justice and even distribution that will allow all Panamanians, especially those with lower incomes, to satisfy their basic needs of food, health, education, and housing.

We will give priority to critical poverty cases, sectors on the fringes of society [marginacion social], and protection of the Panamanians' basic food basket. In this regard, one of my government's basic concerns involves the increasing unemployment caused by the economic crisis being currently felt in Panama as a result of the imposition of economic models and because of the subjection to international credit organizations that have no share in national development.

It is our aspiration to turn the Agricultural and Cattle Ministry into the ministry of the rural producers. To this end, we will strengthen and integrate this sector to rationalize, coordinate, and increase the efficiency of its operations in such a way as to increase production, lower prices, and motivate producers. This will be achieved by offering producers protection and administrative and fiscal advantages that will allow them to increase their productive capability.

My government will give high priority to our people's education and health, because we feel there is no greater task for a state than to fully cultivate and develop the human potential that constitutes the country's main resource.

With that in mind, the broadening of educational opportunities for all sectors and the search of academic and scientific excellence will be permanent postulates of my government in the education sector. We will zealously oversee the status of health services available to our people in the face of current economic restrictions, because such restrictions demand from us a rational, efficient, and effective use of state resources targeted to this area.

Thus, we reaffirm our interest in regulating and making more efficient the integrated health system by applying the necessary corrections and adjustments to bring health services to the most needy areas.

Honorable legislators and fellow citizens: The policies and actions I just mentioned will not be implemented if we fail to carefully review the use of limited resources available to the country and the efficiency of state institutions.

We must point out that Panama enjoyed significant economic growth for many years, specifically during the first 6 months of 1987. However, beginning in June 1987, the internal and external conspiracy against our economy and the undermining of the financial center have led the country to a very grave fiscal and economic crisis.

However, I am absolutely sure we will not allow hunger to corner us; resources available to the state will be used in a rational and effective manner. We must be creative and come up with ideas to fulfill our responsibility to meet the vital demands of our people. This is the commitment that cannot be refused by the government I am honored to head.

Also, we will give priority to the operation of government institutions to ensure that public servants, equipment, and the infrastructure available to them will appropriately fulfill their objectives and programs. To achieve these objectives, we will demand the necessary modernization, integration, and coordination of all executive branch institutions and its harmonious cooperation with other state branches.

In this regard, we will promote the prompt formalization of the Port Center as a mixed enterprise and a modern project to take better advantage of our geographical position and extend the useful life of our canal. We will promote with all our energy, the use and development of reverted areas; we will immediately promote an administrative, financial, and operational restructuring of the Institute of Hydraulic Resources and Electrification to benefit all Panamanians who use its services. [applause]

We will soon present the 1988 draft budget of the nation to the consideration of this honorable assembly. In echoing the demands of the National Federation of Public Servants, we will present a plan for national development and for making public administration more efficient by guaranteeing modernization and greater efficiency of its structure with the participation of various sectors of the community. [applause]

I reaffirm the unwavering commitment of my government to maintain our monetary, banking, and economic system intact in form and structure as pillars of our economy and social system. We will not issue paper currency; we will in no way affect deposit accounts; and we will guarantee free flow, without restrictions or controls, of funds coming into and leaving Panama. [applause]

Honorable legislators, amid the hospitality afforded me by this room, which is symbolic of popular sovereignty, I voice my decision to take on this responsibility you have entrusted to me with patriotic commitment armed with perseverance and the constructive work demanded by the situation we are facing. I am conscious that adequate coordination between the executive and legislative branches will contribute to a better democratic exercise; and the effective creation of and compliance with laws will contribute to addressing problems and national development correctly. Thus, we will firmly demand respect for government policies and decisions.

Accordingly, we want to issue an appeal to all our country's groups and sectors to join this government action to strengthen our nationality without distinction of party, ideological, or economic banners—or banners of any other kind—and overcoming differences, hatreds, and resentments.

We invite our fatherland's students and youth for whom we work and to whom, by historical designation, we are to leave a free and independent country; workers and peasants who with their effort and sweat participate in the construction and boosting of this country's riches and whose just aspirations we must defend; professionals and technicians who demand opportunities to develop and contribute to the country's development; Panamanian women who have always had and will continue to have an outstanding position in the struggle for national progress; [applause] businessmen, investors, merchants, and industrialists, who are patriots and are interested in Panama's economic future and to whom we must offer a climate of social peace for their active participation in this national task; the banking sector, basis of the country's economic and social progress and of timely financing of development programs and projects and to whom we will guarantee better conditions for their appropriate and effective functioning, (?to join us in this struggle).

In the endeavor we have detailed, we will not back down one instant in offering our patriotic effort and dedication to surpass these difficult hours with the arrogance and decision that this historic moment requires. I hereby urge my current collaborators, state ministers, directors, and deputy directors of government autonomous and

semiautonomous agencies; top-level officials; and general employees to work honestly, with devotion, and without faltering or pausing in this enormous task of national reconstruction, where there is no room for squandering, corruption, or rest. [applause]

We represent democratic and constitutional legitimacy, as we are true guardians of the nationalistic struggle, which gives us the best credentials to govern. [applause] Our goal is the future; we are pledged to the construction of a new, free, and sovereign fatherland, enclosed in one single territory and with only one flag. [applause]

PAPO's Zuniga on Situation; Radio Commentary

PA011652 Panama City Radio Mundial in Spanish 1305 GMT 1 Mar 88

[Statement by Carlos Ivan Zuniga, president of the Popular Action Party, PAPO, from the Radio Mundial studio—live]

[Excerpts] Good morning. I have been listening carefully to several radio stations that carry commentaries, and, of course, I have noticed some [word indistinct]. Almost all the stations are commenting on the current situation from the government's view. Only one station—Radio Mundial has a dissident voice.

I have noticed the insulting tone used by the government stations. They are not analyzing the situation but are merely—I would say—irritating the public, while we are trying to convey calm, sensible words and guidance.

In a way, we believe [words indistinct] government radio stations should defend the government and the opposition supporters should defend the opposition's view. The opposition should be free to express its views, however. Radios [word indistinct], KW Continente, Chiriqui, and La Exitosa should be reopened. LA PRENSA should be allowed to have its own thoughts and express them, as should EXTRA and EL SIGLO. All the media that have been victims of military repression should have a right to express their opinion and to dissent.

The new government officials, representatives of the Executive Branch, and ministers are talking about love of democracy. However, those statements are not compatible with reality, which is different. They are talking about another country that currently does not exist. [passage omitted]

There is no other alternative than the one proposed by the Civic Crusade. That does not mean those who support Delvalle do not have a right to support him. That is their right. They have a right to struggle. They should go to the streets to fight for Delvalle and do whatever they deem necessary to support him. It is their right. Not doing so would be cowardly. They should fight. We will continue with our line, which is linked with the main principles of the Civic Crusade and the opposition political parties. [passage omitted]

We are not going to support Delvalle, because his regime was a fraud. We are not going to go along with militarism, because militarism is (?usurpation). We are in the middle of usurpation and fraud. [passage omitted]

The rest of the world is following the Panamanian situation with profound solidarity for the Panamanian democratic cause. The Panamanian military forces can no longer say the United States [words indistinct] is behind the protests over the lack of national (?virtues) and democracy in Panama. They can no longer resort to nationalistic feelings by saying the Yankees want to change Panama's government. Latin American democracies now have a calm, objective standpoint, and it is good to [word indistinct]. It can no longer be said that the United States is opposed to the current system in Panama. No. The United States created the current system. The United States created the military monster in Panama. Evidently, in one way or the other, the United States wants the military structures in Panama to have new faces, but with the same structures. That is the reality. That, however, is not the position of the Latin American democracies. [passage omitted]

We are a nation in crisis, incapable of finding a fundamental source of inspiration and direction. This is what is happening to us now. We are out in the open experiencing times of indecision and insecurity because of the lack of decisions. We must take a course, and I am proposing it because I am convinced this is the only course. No other course could lead us toward a republic and toward a society at peace. This course is a provisional, democratic government acceptable to the people that would convene a constituent assembly to give us new institutions that would restructure Panama's society. This should be done following a broad national debate in such a national constituent assembly. [passage omitted]

Any solution reached in a back room would be a temporary, precarious solution that would not be complied with. We would live, year after year, with bad feelings, contradictions, and conflicts among us Panamanians. [passage omitted] Today we have no other choice. There is no alternative. The problem will not be solved by placing Delvalle, or Solis, or anyone else in power. The problem will be solved only through a provisional government junta that would be acceptable to the people and that would convene a constituent assembly accepted by the people's will, which would then restructure the Panamanian nation. [passage omitted] We are a people with a corrupt, dishonest political leadership and a [word indistinct] that is depraved, corrupt, dishonest, and immoral. [passage omitted]

Authorities are not established to take away rights but to guarantee the full exercise of rights. This is what authority, society, and the state are. The state must not be a horde of scoundrels who dominate a country to satisfy their unspeakable desires at the expense of other people's sorrow. [passage omitted]

Our people, tired of this agony in which we are immersed, want a popular, democratic, and just alternative. There is only one popular, democratic, and just alternative to the small armed groups that give orders in Panama: the people's desire to give themselves a popular government and a national constituent assembly acceptable to them that will create new institutional structures that will guarantee a climate of respect, coexistence, and progress for all Panamanians forever. [passage omitted]

Radio Mundial Surrounded by Troops; Goes Off Air

PA011804 Panama City Radio Mundial in Spanish 1740 GMT 1 Mar 88

[Excerpts] Radio Mundial has been surrounded by paramilitary troops. We will continue to the end our struggle against the military dictatorship and for respect for the people's will. This is the stand of the Panamanian people, which we embrace and identify with. Our struggle is against the military dictatorship and all that the military dictatorship represents. [passage omitted]

The Panamanians want to live in a democratic country, in a country where everyone is respected, in a country where everyone can feel that he lives in peace and his material and spiritual needs are being satisfied. This is the Panamanian people's goal. We will struggle to the end for this. [passage omitted]

We must struggle against the military dictatorship, against all that the military dictatorship represents, and against all type of intervention from foreign groups. The Panamanians will find their own solution to this crisis, and their best antidote to the current crisis must be respect...[station abruptly goes off the air at 1743 GMT]

Owner Arrested; People Protest

PA011945 Paris AFP in Spanish 1850 GMT 1 Mar 88

[Text] Panama City, 1 Mar (AFP)—Panamanian security men in civilian clothing today violently broke into the studios of the opposition station Radio Mundial on Via Argentina, where they arrested several of those present, including the owner, Carlos Ivan Zuniga.

Eyewitnesses told AFP that the military personnel broke into the studies at midday with rifles and revolvers in hand, began firing into the air, and arrested Zuniga, his brother Mauro, and his son Carlos Ivan, as well as Milciades Serrut, a leader of the opposition National Civic Crusade.

After the occupation of the studios, around 200 demonstrators gathered in front of the radio station and began shouting antigovernment slogans. The military responded by firing in the air. Shouting "justice, justice," the growing group of demonstrators continued their protest against the occupation of the radio station, whose owner is also secretary general of the opposition Popular Action Party. So far, there have been no reports of injuries or any other arrests.

The military action against Radio Mundial comes on the 2d day of a general strike called by the Panamanian opposition, which is demanding the ouster of General Manuel Antonio Noriega, chief of the Panama Defense Forces.

[San Jose Radio Impacto in Spanish at 1905 GMT on 1 March carries a live report from Panama City by Homero Londono who states that "the streets of Panama City are deserted. The banks and stores, except for Central Avenue stores owned by Jews, are backing the strike." Londono says people are staying off the street because they are frightened. He adds that the people are afraid of being arrested for no reason by Defense Forces personnel in civilian clothes.]

Relatives Say Zuniga 'Escaped'

PA012225 Panama City ACAN in Spanish 2040 GMT 1 Mar 88

[Excerpt] Panama City, 1 Mar (ACAN-EFE)—Relatives of Panamanian People's Action Party President Carlos Ivan Zuniga stated this afternoon that Zuniga escaped from the men who were trying to seize him, his nephew, Mario Zuniga, and a teaching leader.

Luis Guillermo Zuniga asserted that his uncle, Carlos Ivan, escaped along with Mauro Zuniga and Milciades Serrut, who were forced to get in a vehicle a few minutes after Radio Mundial was closed by alleged armed paramilitary groups. [passage omitted]

Police Deny Arrests

PA012220 Paris AFP in Spanish 2050 GMT 1 Mar 88

[Text] Panama City, 1 Mar (AFP)—Colonel Leonidas Macias, chief of the Panamanian police, confirmed that military troops today occupied the opposition radio stations Radio Mundial and Radio Diez, but denied there had been any arrests during the occupation, as eyewitnesses had claimed.

Some 10 agents dressed in civilian clothing and armed with carbines and guns occupied the radio stations, located on Via Argentina in this capital, and arrested its owner, Carlos Ivan Zuniga, who is president of the Popular Action Party; his son, Carlos; his brother, Mauro; Milciades Serrut, leader of the Civic Crusade; and a secretary, witnesses of the incident told AFP.

"They have destroyed Radio Mundial and Radio Diez," stated Dalis Zuniga, one of the owners of the radio facilities, who claimed not to know the whereabouts of her relatives.

Another witness, Attorney Jorge Fonseca Lopez, told AFP that after breaking into the place, the agents led the five arrested persons into a vehicle, which was stoned by groups of demonstrators gathered in the area.

This confusion was taken advantage of by some of those arrested to escape in another vehicle, but they were later intercepted by four private vehicles and taken to an unknown destination, he added.

Twenty minutes after the stations had been closed, 200 persons gathered outside and began to shout antigovernment slogans and throw stones at the armed civilians, who fired birdshot pellets, wounding two persons.

The agents left minutes after antiriot police patrolling Via Argentina arrived and began to clear barricades that were erected during the 2d day of the general strike called by the Panamanian opposition demanding the ouster of General Manuel Antonio Noriega.

In some streets adjacent to Via Argentina, small groups of persons shouted "Justice, justice," and erected small barricades with garbage pails.

Carlos Ernesto Gonzalez, member of the Civic Crusade Executive Committee, noted that the closure of Radio Mundial and Radio Diez "is an attempt to stifle the people in every way and not permit any free communications media to exist, because it reveals what is happening in Panama."

Finally, he termed the 2d day of the strike called by the Civic Crusade "excellent," saying that commercial activities "are paralyzed 90 percent and that tomorrow, Wednesday, it will be 100 percent." He remarked that despite the fear that exists over actions by the military, the opposition is "determined to sacrifice in the struggle to achieve the country's democratization."

Opposition Claims Strike 80-Percent Successful

PA011453 Panama City ACAN in Spanish 1250 GMT 1 Mar 88

[Text] Panama City, 1 Mar (ACAN-EFE)—The opposition National Civic Crusade said today that the indefinite national strike it has called has paralyzed more than 80 percent of the country.

Tomas Herrera, a representative of the organization, said 85 percent of private banks, 95 percent of industries, and 90 percent of the country's private clinics were closed yesterday. In addition, Herrera, who represents the lawyers in the organization, said 50 percent of stores, 70 percent of lawyers, 95 percent of the construction industry, and 100 percent of insurance companies supported the strike.

The nationwide strike is intended to force General Manuel Antonio Noriega, head of the military, out of office.

The opposition spokesman also said 100 percent of government-employed doctors will join the strike. He said there was some limited commercial activity in downtown Panama City yesterday, although he played down its importance, saying it involved less than 2 percent of the nation's economic activity. Herrera said the strike will continue today.

For his part, Roberto Brenes, a member of the Crusade, said that despite the restrictions on the media, the people's response has been good. Brenes said some gasoline stations closed down yesterday afternoon. He added that support will be greater today.

Carlos Gonzalez de la Lastra, another Crusade coordinator, said the leadership of the National Council of Organized Workers (CONATO) is "corrupt and has sold out to the government." He added that the workers supported the strike, despite the position taken by the organization, which has more than 80,000 members.

Eduardo Vallarino, former president of the National Council of Private Enterprise (CONEP), said the Jewish community has been threatened by the authorities, including Finance Minister Hector Alexander and Customs Chief Carlos Garcia, to dissuade them from participating in the strike.

Carlos Valencia, president of the Association of Panamanian Industrialists (SIP), said industrialists have also received threats that companies that close will be burned and sacked.

The opposition leaders said they want a civilian government fairly elected by the people, not an Army that has taken upon itself the right to rule the country.

[Panama City Radio Mundial in Spanish at 1336 GMT on 1 March reports the following local banks have decided to close indefinitely "until the political situation returns to normal and the current crisis is resolved": Banco General, Pribanco [Primer Banco de Ahorros], Banvivienda [Banco Panameno de la Vivienda], Banco Continental de Panama, Bancomer [Banco Comercial de Panama], Banco del Itsmo, Bipan [Banco Internacional de Panama], Bancolat [Banco de Latinoamerica], Banco Transatlantico, Disa [Banco de Desarrollo Industrial, S.A.], Panabank, and Tower Bank International. The report adds that "bank employees support this decision by the banks' boards of directors and also urge employees of international banks not to go to work. Bank employees particularly appeal to Japanese banks not to intimidate their employees."]

'Small Disturbances' Reported

PA020155 Hamburg DPA in Spanish 0006 GMT 2 Mar 88

[Excerpts] Panama City, 1 Mar (DPA)—The indefinite strike called by Panamanian private enterprise and the opposition against the Panamanian Government and the commander of the "Panama Defense Forces" (FDP), General Manuel Antonio Noriega, resulted in small

disturbances this afternoon on Via Argentina, after the authorities closed the radio station "Radio Mundial," located on that commercial avenue. [passage omitted]

Aurelio Barria, president of the Chamber of Commerce, described the second day of the strike as excellent and positive. Barria announced that "the national banks in the capital joined the strike." Barria also announced that "private enterprise is ready to sacrifice in a 1-week strike so this country will not head toward communism."

The employees of the Panama Canal Commission evacuated their facilities today after receiving an anonymous call alerting them to a bomb that had been placed there. U.S. Army explosives experts inspected the building and found no trace of the alleged bomb.

Another political incident occurred this afternoon when a collaborator of dismissed Vice President Roderick Esquivel filed a suit against Alberto Aleman Boyd, president of the Legislative Assembly, for violating the National Constitution.

Oscar Ucros, an attorney of the Liberal Party, to which Esquivel belongs, filed a suit with the Supreme Court claiming the illegality of the Legislative Assembly resolution dismissing Esquivel as vice president last Thursday.

The deposed president of Panama, Eric Arturo Delvalle, is still in hiding, and it was learned that he has signed several executive decrees. Delvalle still considers himself constitutional president of Panama.

Solis Says Crisis Aggravated by World Bank

PA020022 Mexico City Red Nacional 13 Imevision Television in Spanish 2026 GMT 1 Mar 88

["Exclusive" interview with Presidency Minister Manuel Solis Palma by Epigmenio Ibarra in Panama City; date not given—recorded]

[Text] [Ibarra] We would like to hear your views about this crisis, your views about what has happened. What do you think has happened and is happening in Panama?

[Solis] Panama faces an extremely difficult situation, because it is denied foreign aid, the rhythm of economic growth has worsened or decreased, the fiscal deficit has increased, and we cannot receive external aid to balance our budget. It is easy to stop foreign aid; all it takes is an order from the United States or the U.S. State Department. Why? Because the U.S. State Department controls the World Bank, and the World Bank issues instructions to the IMF. Therefore, it is a chain of events: If the first one does not give the instructions, the international banking system will be paralyzed.

Panama had been handling the problem with the World Bank's acquiescence, but the latter has been progressively imposing measures that have undoubtedly affected the government's relations with the people, because the situation has worsened and disrupted a series of economic and social projects. The projects differ from those imposed by the World Bank and the IMF, which is a private institution, given that the country had been operating and developing projects of a different social nature. All this undoubtedly causes problems, and it has caused us problems, estranging us from the people and sectors that have always supported the Panamanian process. We cannot accept solutions to the country's fiscal deficit that imply subservience.

The situation is not what it seems. Why are the Americans suddenly interested in eliminating Gen Noriega? Perhaps they need an FDP without a leader, so there would not be anyone to counter the proposal to change the treaties, the negotiation of new treaties, or a renegotiation of the treaties—perhaps not for 2000 but for 2050. Is this not closely linked with current U.S. interests and strategies? We believe it is.

Explains Statements on Colombia

PA020000 Bogota Radio Cadena Nacional in Spanish 1803 GMT 1 Mar 88

["Exclusive" interview with President Minister Manuel Solis Palma by special correspondent Francisco Tulande at the Legislative Assembly in Panama City on 1 March—recorded]

[Text] [Tulande] Mr Solis Palma, there is some unrest in Colombia over your remarks [words indistinct]. Will you please clarify through the RCN [Radio Cadena Nacional] network what you said about Colombia and its democracy?

[Solis Palma] First of all, I regret my words were misinterpreted. What I said must be seen in the context of time and space. In particular, I disagreed with a Colombian radio station correspondent, who again and again criticized our democracy. I told him our democracy was better than Colombia's democracy in some aspects. I then mentioned some examples, which I quoted in San Miguelito last night. At the same time, however, I can say some aspects of Colombia's democracy are better than ours. Similarly, I disagree with some aspects of U.S. democracy, and they criticize ours. I mean, democracy is not a pre-established standard. It is a broad and [words indistinct] way of the peoples, adjusted to fit their own realities.

[Tulande] President, would you say there is more freedom of expression in Panama than in Colombia although radio stations and newspapers have been closed?

[Solis Palma] Sure. In Panama, we are being attacked both from inside and outside. A government has the right and duty to protect not only itself but also its integrity. When this integrity is imperiled, a government has the right to seek ways to protect itself. I did not

intend to criticize. I only mentioned some examples of what happens in Colombia. You people suspend the constitutional rights when you [words indistinct].

Many of the guarantees, including freedom of the press and freedom of speech and all others...[changes thought] we reserve the right to defend ourselves at a given time. Let us review Panama's history: Here people have overstepped their right of expression. I want you to show me a single newspaper [words indistinct]. On that day, I used Colombia as an example because I was talking to a Colombian journalist. If I had been talking to a U.S. journalist, I would have used the United States as an example.

When has a country's press repeatedly called its commander assassin; drug trafficker, without proving it; homosexual; bisexual; degenerate; etcetera? Our commander has taken it all because the attacks were aimed at him as an individual; when the attacks are against the state's institutions, the judicial body—not the commander—takes the necessary measures to preserve Panamanian integrity.

[Tulande] Mr President, the international press [words indistinct].

[Solis Palma] The international press attacks Panama? That is correct. I can guarantee you that if a Panamanian newspaper attacked Panama in that way, we would shut it down. The problem is we cannot do the same at the international level, but we condemn this action from any newspaper in the world. There should be no abuses. I told the journalist who was questioning me that day—and I repeat it now—that Colombians should think. I repeat, I told this to all Colombians because I was speaking to a Colombian. I was not talking with someone else. Someone once said: When you see that your neighbor's beard is burni g [words indistinct].

[Tulande] Colombia has been a good neighbor of Panama. How are current relations between both countries? Have you talked to Presidents Barco, Lusinchi, or other presidents of the Contadora countries? You said Panama would not allow itself to be blockaded diplomatically.

[Solis Palma] Of course, we will not allow Panama to be blockaded. But this does not mean there will not be attempts to blockade us. When I say that we will not allow our country to be blockaded, I mean we have enough resources to survive. However, we do not want it because the Panamanian people will be the ones who will directly suffer. If I must speak to the Colombian president, I will do it; if I must speak to the Venezuelan president, I will do it; I will speak to anyone.

[Tulande] Will you take the initiative?

[Solis Palma] All I want you to understand is that I have only been president for 96 hours, and I have had to immediately tackle a large number of problems. I have not had the opportunity to take this initiative. However, Alan Garcia called me, and I spoke to him at length. I spoke to the APRA leaders. I also hope to talk with the Venezuelan president and with President Barco and his foreign minister because we have a great advantage: we have the truth in our hands, and we love our country as we love all Latin American peoples, especially our Colombian and Costa Rican neighbors, as I mentioned in my message. I do not wish to offend anyone. I did not want my words to be misunderstood. We feel appreciation and sympathy for Colombia and its people.

[Tulande] [Words indistinct] with the United States?

[Solis Palma] We have expressed our permanent friendship with the U.S. people. The problem is with the U.S. Government and the State Department. Our friendship with the U.S. people remains unchanged. Our talks with the U.S. Government through its State Department will be held according to how they respect our dignity and sovereignty.

Foreign Minister on Recognition of Government

PA020303 Panama City Circuito RPC Television in Spanish 2300 GMT 1 Mar 88

[Text] Foreign Minister Jorge Abadia Arias has told the national and international press that recognition of the Solis Palma government will come about gradually:

[Begin recording] [Abadia] This is not a relay race; we need not pressure any brother country to recognize us. We must consolidate ourselves internally for the well-being of our people; we must show the people we are really struggling for their good. As people in Panama already know, the entire world will gradually realize there is constitutional continuity. Once this occurs—and I know it will, because there is continuity—recognitions will come without rush.

[Reporter] Mr Minister, have certain governments withdrawn their ambassadors from Panama?

[Abadia] This is normal procedure; this is a normal protocol measure. They are being recalled for consultations. This is perfectly normal. We frequently recall our ambassadors around the world.

[Reporter] What is our position toward Contadora now?

[Abadia] Pardon me?

[Reporter] Toward Contadora?

[Abadia] The same.

[Reporter] Any possibilities of relations with the USSR and the PRC?

[Abadia] That would be a decision of the president.

[Reporter] What about Panama's withdrawal from the Group of Eight?

[Abadia] We have not left the Group of Eight. [end recording]

Government Authorizes Return of Radio Network
PA011827 Paris AFP in Spanish 1732 GMT 1 Mar 88

[Excerpt] The "Exitosa" national radio network, whose frequency was canceled 3 weeks ago, will return to the air this morning as authorized by a resolution of Panama's Ministry of Government and Justice.

The radio network was closed after broadcasting statements by opposition leaders Gabriel Lewis Galindo, Jose Blandon, and retired General Ruben Dario Paredes. It was accused of inciting the disruption of public order, which the government considers a threat to national security. [passage omitted]

Bolivia Asked To Review Support of Delvalle
PY011423 La Paz La Red Panamericana in Spanish 1130 GMT 1 Mar 88

[Text] Panamanian Ambassador to Bolivia Jaime Ramirez Morales said he would like Bolivia to review its decision to formally recognize before the OAS the constitutional mandate of Eric Arturo Delvalle as the legitimate president of Panama.

The Panamanian ambassador said that from the legal viewpoint the recognition of Delvalle by some Latin American governments has no grounds because the Panamanian Legislative Assembly, in keeping with the Constitution, has every right to decide on the presidential succession.

However, said Ambassador Ramirez, we respect the international law that regulates our bilateral relations. In this regard, the decision to recognize former President Eric Delvalle is a sovereign decision of the Bolivian Government. We have not violated democracy, as some U.S. conservative congressmen have stated in an attempt to convince Latin American countries not to recognize current President Manuel Solis Palma.

Argentina

UK Falklands Maneuvers Denounced at UN

PY011529 Buenos Aires DYN in Spanish 1500 GMT 1 Mar 88

[Text] Geneva, 1 Mar (AFP) — Argentina denounced today before the UN disarmament conference the British maneuvers in the Malvinas Islands, stating that they create new tensions in the South Atlantic.

Mario Campora, Argentine ambassador to the disarmament conference, said the British maneuvers in the Malvinas, which are scheduled to take place from 7 to 13 March, will be carried out in the South Atlantic despite the fact this area was declared an area of peace and cooperation in the UN resolution approved by both Argentina and the United Kingdom.

Ambassador Campora said that instead of undertaking negotiations on the dispute over the Malvinas Islands, the British Government prefers to resort to threats and provocations, that is, carrying out maneuvers in the South Atlantic.

He added that the British Government could contribute to detente by desisting from carrying out these military exercises and other hostile acts and by undertaking overall negotiations with Argentina without any exclusions or prerequisites.

Alfonsin Meets With Iranian Deputy Minister

PY010159 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 1 Mar 88

[Text] President Alfonsin today met with Mohammad Larijani, deputy foreign minister for economic and international affairs of Iran, who is visiting our country. They discussed international trade issues among many things. However, it was not clarified whether Argentina would lift its embargo on 20 ships loaded with wheat for Iran, which are anchored in the port of Bahia Blanca.

After the meeting, International Economic Relations Under Secretary Jorge Romero reported that this subject was not discussed specifically. The Argentine Government expects Iran to pay for its wheat purchases, which amount to $600 million per year. These purchases are expected to increase to $700 million per year.

Energy Secretary Submits Resignation 1 Mar

PY020148 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 2 Mar 88

[Excerpts] Jorge Lapena, energy secretary and president of Government Oil Deposits [YPF], tendered his resignation to President Alfonsin for both posts. He said his resignation is not linked to charges of corruption by Public Works and Services Minister Rodolfo Terragno against YPF and other organizations. [recorded passage omitted]

The now former energy secretary said he resigned because of continuing differences with Minister Terragno over oil policy.

Lapena, who advocated participation by the private sector in areas being explored by YPF and therefore reserved to the state oil company, blames Minister Terragno for implementing an oil policy that in the long run could weaken YPF.

Bolivia

Unemployed Miners To Cultivate Coca

PY011449 La Paz La Red Panamericana in Spanish 1130 GMT 1 Mar 88

[Text] On Thursday, 3 March, a group of 800 laid-off [relocalizados] miners will travel to the Sud Yungas area to cultivate coca leaves because the government cannot offer them permanent jobs.

In announcing this decision, Walter Cortes, leader of this sector, said this first group will leave from the headquarters of the La Paz Miners Federation at 1100 after a news conference.

Cortes said the jobless miners will travel to Sud Yungas, where they will be received in the town of Chulumani on Sunday with a large welcoming rally.

He added that another group of laid-off miners, who are now in Cochabamba, will leave that same day for the Chapare tropical region.

Brazil

Government To Recognize Solis Palma in Panama

PY011308 Madrid EFE in Spanish 1227 GMT 1 Mar 88

[Text] Rio de Janeiro, 1 Mar (EFE)—According to JORNAL DO BRASIL, today the Brazilian Government will formally recognize the Panamanian Government of Manuel Solis Palma, minister in charge of the Presidency.

The report states that the diplomatic recognition, which will not require any official document, will be expressed through the presence of Brazilian Ambassador to Panama Paulo Monteiro Lima at an official ceremony that will be presided over by Solis Palma today.

According to Brazilian Foreign Ministry sources, official recognition of the new Panamanian Government is not necesary because the political developments in that country following the ousting of former President Eric Delvalle did not cause an administrative interruption.

It is the practice of Brazilian foreign policy to recognize new governments once they have taken control of the situation and are consolidated in power.

National Congress Sessions Reopen After Recess

PY020211 Brasilia Domestic Service in Portuguese 2200 GMT 1 Mar 88

[Text] With seven ministers and representatives of the judicial branch in attendance, the National Congress today began its normal activities after the year-end recess.

In a message addressed to the deputies and senators, a message that was read at the opening session, President Jose Sarney reviewed the country's economic situation and also discussed politics.

Sarney said he is aware that he was elected to lead Brazilian society along a difficult institutional course.

Senator Humberto Lucena, the Congress president, proposed that all party presidents sit at a concilliatory table with President Jose Sarney. Humberto Lucena said this initiative is necessary to draw up a basic program to save the economy.

Lucena also suggested that the Constituent Assembly dedicate itself exclusively to discussing constitutional issues, leaving the discussions of the country's situation for the Chamber of Deputies and the Senate.

Humberto Lucena also wants a quick decision on the system of government for the next constitution and on President Jose Sarney's term.

Plan To Build Satellite With PRC Approved

PY011227 Rio de Janeiro O GLOBO in Portuguese 29 Feb 88 p 5

[Text] Brazil and the PRC together will build a remote-sensing satellite for natural resources, which will be launched by the end of 1992 by a Chinese rocket. The decision was made during a secret session of the Brazilian Commission for Space Activities (COBAE) held in Brasilia on 25 February.

The COBAE has allotted $45 million for initial research activities of Brazilian scientists, who will work at the National Institute for Space Research (INPE) and at Chinese research centers. President Sarney has approved the decision, which is part of a Brazilian effort to develop satellite technology.

According to the initial agreement with the Chinese Academy of Space Science and Technology, Brazilian participation will amount to $80 million, and the joint work will begin immediately. Scientist Cesar Celeste Guizoni, a specialist in laser-beam sensors, will return from the PRC by the second half of March with a draft timetable for the technological and scientific cooperation project. The satellite project began 2 years ago, and it is currently in the phase when the on-board complementary system and sensors must be defined. The joint discussions on how to make the interests of the two countries compatible will begin in this phase. The third phase of the project consists of the construction of prototypes. The satellite will weigh 1,400 kg, travel in an 800-km-high orbit, and be able to take pictures of objects on earth as small as 20 meters across. The commercial exploitation of the products and services of the satellite will be negotiated before April by commissions that will exchange routine visits to evaluate different projects. Brazil will be entitled to use 30 percent of the satellite's services.

The approval of this joint program could mean that a completely Brazilian remote-sensing satellite program will no longer be a priority. Such a satellite was reportedly planned to be launched in 1991, but the program is hindered by a lack of funds and by technological deficiencies that place it on a lower level than the joint Brazilian-PRC project.

Briefs

January Trade Surplus Record

The Brazilian trade balance showed a record surplus of $1.32 billion in January owing to an increase in the export of industrial goods. [Summary] *[Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 1 Mar 88 PY]*

February Inflation Rate

The Brazilian Institute of Geography and Statistics today reported a 17.96-percent inflation rate for February. [Summary] *[Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 29 Feb 88 PY]*

New Basic Salary Rate

The government has just announced the new basic salary rate. It is 6,240 cruzados. [Summary] *[Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 29 Feb 88 PY]*

Chile

Foreign Debt Negotiating Meeting Postponed

PY011247 Santiago Domestic Service in Spanish 0930 GMT 1 Mar 88

[Text] Central Bank sources have said the committee of 12 creditor banks and the Chilean team headed by Juan Somerville in New York negotiating the Chilean foreign debt have postponed their meetings until 9 March. The sources said the 7-day postponement is at the request of the creditor banks, which wanted to study the Chilean proposals more carefully.

Somerville traveled to New York at the begining of February to talk with the 12-bank committee to soften the terms of payment on some commitments. The Central Bank source believes the third round of meetings will be crucial to reaching an agreement. Somerville will return to the United States on 8 May.

Gabriel Valdes Rejects Pinochet Criticism

PY012044 Santiago Radio Chilena Network in Spanish 1600 GMT 1 Mar 88

[Text] Gabriel Valdes, former president of the Christian Democratic Party and former foreign minister, has rejected President Pinochet's harsh criticism of opposition politicians. Yesterday in Puerto Montt the president compared opposition politicians with a group of criminals who some time ago robbed a branch of the Bank of London.

[Begin Valdes recording] Now, in Puerto Montt, Pinochet has compared politicians with criminals, highway bandits, bank robbers, and thiefs. Once again we see how his vulgar spirit has reached the limit of degradation.

His attitude is offensive to Chilean dignity. It reflects his moral weakness. Instead of hatred and slander, Chile needs unity and greatness. [end recording]

Valdes added that those who still feel frightened must understand that, quote, the country demands that the Armed Forces reflect on this serious attitude, because they must not be involved in this kind of situation, unquote.

Poll Shows Support for Yes Vote in Plebiscite

PY011602 Santiago LA TERCERA DE LA HORA in Spanish 20 Feb 88 p 7

[Excerpts] The government would lose the plebiscite by a wide margin in the Santiago metropolitan area, while the results would tilt in its favor in the remaining regions of the country. As a consequence, the yes vote would win in the overall results of the plebiscite.

This information is reflected in a poll recently carried out by the "Trafalgar Corporation," a transnational marketing and polling enterprise headquartered in Hong Kong which has branches in major capitals around the world. [passage omitted]

The poll recently carried out by "Trafalgar" on the possible results of the upcoming plebiscite at the request of the Liberal Party of Chile, headed by Carlos Barrientos, covered all regions of the country.

Here is a breakdown of the results of the poll:

Number of inhabitants in Chile: 12,000,000

Approximate number of voters: 6,000,000

Number of voters in the Santiago metropolitan area: 2,000,000

Number of voters in other regions of the country: 4,000,000

Table No 1 shows 72.5-percent support for the yes vote and 27.5-percent for the no vote in regions outside the Santiago metropolitan area.

In the Santiago metropolitan area, it shows 35 percent in favor of the yes vote and 65 percent for the no vote.

Table No 2, which carries partial results by region, shows that outside the Santiago metropolitan area 2,900,000 voters support the yes vote and 1,100,000 the no vote, while in the Santiago metropolitan area 700,000 voters support the yes vote and 1,300,000 the no vote.

In sum, the overall results shows that 3,600,000 voters support the yes vote and 2,400,000 the no vote, which would give the government the support of 60 percent of the voting population. [passage omitted]

Bombs Explode, Defused at La Serena Airport

PY292040 Santiago Domestic Service in Spanish 1600 GMT 29 Feb 88

[Text] Insane extremists planted bombs at the La Florida Airport of the port of La Serena. The police defused the bombs and prevented a tragedy.

[Begin reporter recording] [Words indistinct] a large amount of explosives was planted by terrorists at the La Florida Airport of this port.

On the day of 27 February people living near the airport were frigthened by two strong explosions, which were confirmed this morning by Lieutenant Colonel Carlos (Paravilla), Carabineros chief of the Fourth Region.

Two bombs were defused and a large amount of explosives was found in the area. Three commercial flights were suspended.

The police are currently investigating this terrorist attack, which could have caused a tragedy. [end recording]

Pinochet Says Bombs for Him

PY020204 Santiago Radio Chilena Network in Spanish 2300 GMT 1 Mar 88

[Text] President Pinochet said the bombs placed at the head of the landing strip of La Serena airport were meant for him. He said the terrorists learned he would travel to La Serena and prepared the bombs, which were later found.

He said the police have found evidence in this case, and they are investigating it. These terrorists will try any means of inflicting great damage, but preventive measures are being adopted, he added.

General Pinochet made these statements in the Seventh Region, where tomorrow he will dedicate the construction of the Austral road.

Soviet Fishing Ships Violate Antarctic Treaty

PY010250 Santiago LA TERCERA DE LA HORA in Spanish 25 Feb 88 p 8

[Text] Soviet fishing trawlers have been violating the Antarctic Treaty by fishing near Elephant Island and Clarence Island. This charge was made by Antarctic fleet commander Adolfo Cruz Labarth, who is the captain of the "Piloto Pardo" ship, at a news conference yesterday shortly after 1800, when the "Piloto Pardo" arrived at the government dock in Punta Arenas.

Cruz said he has been unable to confirm this personally, but that it was reported by Navy captain Ruben Schien, the commander of the "Capitan Alcazar." Commander Cruz said that, according to the Antarctic Treaty, no fishing is permitted south of latitude 60.

Thai Deputy Trade Minister Pays Visit

PY010015 Santiago Domestic Service in Spanish 1600 GMT 29 Feb 88

[By reporter Maria Veronica Munoz from the Foreign Ministry]

[Text] Thai Deputy Trade Minister (Chasat Komyasan) is heading a delegation that arrived yesterday in our country. He said this visit has allowed him to confirm that Chile is a peaceful country and that the two countries have long maintained cultural, economic, and social relations.

The Thai official met with Chilean Foreign Minister Ricardo Garcia, with whom he discussed several issues regarding bilateral exchange and trade.

Colombia

Foreign Ministry Protests Solis' Remarks

PA012150 Paris AFP in Spanish 2030 GMT 1 Mar 88

[Excerpts] Bogota, 1 Mar (AFP)—Colombia today demanded "respect for its democracy" in its rejection of statements by Panama's new president, Manuel Solis Palma, who questioned Colombia's democracy in a speech near Panama City yesterday. [passage omitted]

The Foreign Ministry protest note released from Bogota's San Carlos Palace reads as follows:

"The Colombian Foreign Ministry greets the Panamanian Embassy and expresses the Colombian Government's utter amazement over the unjust, gratuitous, and unacceptable allusions made last night by Manuel Solis Palma on behalf of that government which, according to a note from that embassy, he now heads, in a speech delivered in the district of San Miguelito, metropolitan area of Panama City, regarding our Colombian democratic institutions.

"All relations between states, even if in a moment of crisis, must be based on mutual respect, a postulate of which Solis Palma should be aware. The Colombian Government's attitude in the current Panamanian crisis has been one of extreme prudence and noninterference in its domestic affairs.

"Colombia demands respect for its more than century-long democracy and for a nation that has been faithful to the dearest postulates of coexistence among states.

"The Colombian Foreign Ministry reiterates its feelings of consideration.

"Signed, Fernando Cepeda Ulloa, acting Foreign Minister of the Republic of Colombia."

Justice Minister on Drug Trafficking Issues

PA292031 Madrid EFE in Spanish 2031 GMT 27 Feb 88

[Text] Bogota, 27 Feb (EFE)—Colombian Justice Minister Enrique Low Murtra today said his country views with concern how U.S. presidential candidates are ignoring the issue of the struggle against drug trafficking. He said: "Judging from what the media reports, the candidates have avoided the drug-trafficking issue. This could lead us to believe that they do not view the problem as important." Low Murtra rejected a proposal from U.S. congressmen that U.S. troops be sent to Colombia to struggle against the drug traffickers. "I do not believe one single Colombian would agree to that. That proposal is completely out of line," he said.

The minister also rejected the opinion of Colombians and foreigners who believe Colombia has lost the war against drug trafficking. He said: "The struggle by the police is permanent, and there have been results. In Vienna, during the UN sessions (on the struggle against drug-trafficking and the consumption of drugs), Colombia was repeatedly praised for its efforts in that regard."

Low Murtra ruled out the possibility of negotiating with the drug mafia bosses and denied that the Colombian Government feels powerless and has surrendered to the drug traffickers. He said: "It is true the problem in Colombia is difficult to handle, but it is not true that Colombia does not have a firm government as well as solid institutions." "The government," he added, "is waging and will continue waging a battle against drugs."

The minister issued this criticism hours after the Latin American foreign ministers of the Group of Eight, now reduced to seven because of the exclusion of Panama, called on the United Nations to achieve a worldwide agreement against drug trafficking.

The foreign ministers of Mexico, Venezuela, Colombia, Argentina, Brazil, Peru, and Uruguay met for 2 days in the Colombian city of Cartagena and agreed to intensify efforts to eliminate the production, processing, trafficking, and consumption of drugs, and to do it through bilateral and multilateral mechanisms.

Brazilian Foreign Minister Roberto Abreu today insisted on the group's position that drug trafficking is not a problem of drug-producing countries—such as Colombia—only, but also of the developed nations, especially the United States, where the drug is consumed, and of the nations that supply the chemicals to process the drug.

Finance Sector Reprivatization To Begin

PA292125 Bogota Emisoras Caracol Network in Spanish 1215 GMT 26 Feb 88

[Text] Bogota—The financial institutions nationalized after the 1982 economic crisis will return to private hands as a result of an executive branch decision.

The purchase of fiduciary institution shares will be financed with a loan granted by the Bank of the Republic.

The measure aims at immediately increasing the Bank of Bogota's capital by some 3.5 billion pesos. The measure was adopted by the monetary junta, which stated that the original owners of the institutions will not have access to the loans for purchasing shares.

The loan granted by the Bank of the Republic is over 5 billion pesos, and these resources will be negotiated by the financial sector itself.

The monetary junta explained that the loan will not involve the issuing of new currency. It asserted that the sale of shares will give back to the Bank of the Republic the resources it supplied to finance the original loan.

The original owners of the shares in trusteeship will not have access to the loan and will be limited to purshasing 10 percent of the shares in circulation.

The monetary junta decided that the loans for the reprivatization of the institutions will be granted at a 24-percent annual interest rate for a 5-year period payable at maturity and with an initial payment of at least 10 percent of the share value.

Luis Fernando Alarcon, finance and public credit minister, said the government believes this is the beginning of a healthy process of reprivatization of the financial sector.

Ecuador

Ministry Favors 'Nonintervention' in Panama

PA020420 Buenos Aires REUTER in Spanish 2326 GMT 1 Mar 88

[Text] Quito, 1 Mar (REUTER)—Panama must resolve its problems without foreign intervention, the Ecuadoran Foreign Ministry announced today.

"Regarding the incidents that have occurred in Panama, the Foreign Ministry announced that the Ecuadoran position is based...on the principle that each country resolves its domestic problems on its own democratic paths, in keeping with its constitutional precepts, without foreign interference that could compromise respect of the principle of nonintervention."

Paraguay

No Position Adopted on Panama Situation

PY011457 Asuncion HOY in Spanish 1 Mar 88 p 7

[Text] Foreign Minister Dr Carlos A. Saldivar said yesterday the Paraguayan Government is closely following the events in Panama in connection with the sudden replacement of the chief of state. "We are awaiting proposals in this regard," he said.

He added: "We only have reports, and we have given instructions to our representative with the OAS Permanent Council on how to handle this issue, in the light of events that are obviously significant to the future of the Americas."

Asked whether the Paraguayan Government has adopted a stance on the situation in Panama, Saldivar said that "we cannot take any step until we have appropriate information on what is happening there." He noted, though, that "we are following the events, as all Latin American peoples are."